

LOCAL AGENTS CONVENTION NUMBER

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

FRIDAY, OCTOBER 13, 1933

FINANCIAL STATEMENT OF

National Surety Corporation

VINCENT CULLEN, President

June 30, 1933

ASSETS

Cash	\$ 1,027,246.74
*Bonds	\$4,666,321.46
*Stocks	1,099,212.00
Premium accounts taken over from National Surety Company.....	\$2,327,079.11
Less: Reserve originally established.....	727,633.62
Premiums in course of collection National Surety Corporation.....	1,171,367.15
First Mortgages and Real Estate.....	656,662.51
Accounts Receivable	349,821.12
Home Office Building.....	1,000,000.00
	<u>\$11,570,076.47</u>

LIABILITIES

Reserve for Unearned Premiums	\$ 1,587,408.21
Reserve for Claims	385,279.50
Reserve for Commissions and Expenses	680,645.93
Reserve for Additional Overdue Premium Accounts	500,000.00
Reserve Paid-In for Claims and other Contingencies	4,416,742.83
Capital	1,000,000.00
Surplus	3,000,000.00
	<u>\$11,570,076.47</u>

*These amounts represent the actual market quotations as of June 30, 1933.

DIRECTORS

E. M. ALLEN
WENDELL P. BARKER
S. READING BERTRON
EDGAR S. BLOOM
FRANKLIN Q. BROWN
HARTWELL CABELL
EDWARD H. CLARK

VINCENT CULLEN
P. A. S. FRANKLIN
M. O. GARNER
CHARLES HAYDEN
CHARLES G. HELLINGER
MORTON D. JOYCE
WILLIAM B. JOYCE

ALANSON P. LATHROP
H. J. LOFGREN
JOHN C. McCALL
JAMES S. McCULLOH
SAMUEL McROBERTS
ALFRED E. SMITH
E. A. ST. JOHN

ÆTNA NOTES

ON THE CHICAGO CONVENTION

FROM the interest shown by those who visited the Ætna Sales and Educational Exhibit at the Hotel Drake during the recent convention of the National Association of Insurance Agents in Chicago, it is apparent that agents appreciate more than ever the advantages of educational, sales and advertising assistance such as that provided for Ætna representatives.

Planned selling, which is made possible through the Ætna Plan method, the Ætna Casualty and Surety Sales Course and the Ætna Correspondence Course were of particular interest to visitors at the Ætna Exhibit.

Ætna advertising services, which include, among many others, newspaper, radio, theatre, direct mail and display advertising, were well represented in the exhibit and came in for a large share of attention.

It pays to be an Ætna-izer!



THE ÆTNA CASUALTY AND SURETY COMPANY
THE ÆTNA LIFE INSURANCE CO. THE AUTOMOBILE INSURANCE CO.
THE STANDARD FIRE INSURANCE CO. OF HARTFORD, CONNECTICUT



Symbols of DEPENDABLE INSURANCE

Statement of Condition of the Companies of the Fireman's Fund Group
Based on Market Value of Bonds and Stocks as of June 30, 1933.

	Assets	Liabilities	Surplus to Policyholders
FIREMAN'S FUND	*\$29,283,412	\$14,610,162	\$14,673,250
HOME FIRE & MARINE	*4,791,618	2,563,431	2,228,187
OCCIDENTAL INSURANCE	3,323,354	877,487	2,445,867
FIREMAN'S FUND INDEMNITY	5,628,226	2,948,122	2,680,104
OCCIDENTAL INDEMNITY	2,270,938	1,070,756	1,200,182

* Includes stock ownership in affiliated insurance companies valued on basis of capital and net surplus.

STRENGTH . . . PERMANENCE . . . STABILITY

Fire · Automobile · Marine · Casualty · Fidelity · Surety

FIREMAN'S FUND GROUP

Fireman's Fund Insurance Company — Occidental Insurance Company

Home Fire & Marine Insurance Company

Fireman's Fund Indemnity Company — Occidental Indemnity Company

HEAD OFFICE · SAN FRANCISCO

Offices in the Principal Cities of the United States and Canada

REINSURANCE

SATISFACTORY SERVICE
SINCE MODERN INSURANCE
REQUIREMENTS MADE
REINSURANCE AN UNDER-
WRITING NECESSITY.

THIS HAS BEEN OUR AIM
AND PURPOSE --- TO WHICH
WE DEVOTE EVERY FACILITY
AT OUR COMMAND.

CASUALTY LINES.

KANSAS CITY
NEW YORK
CHICAGO
LOS ANGELES

**EMPLOYERS
REINSURANCE
CORPORATION**

E. G. TRIMBLE, President



Seven times more risk of accident
in the home than traveling on
trains - street cars - busses -
taxis - 'planes or boats !
Everyone needs Accident Insurance.
Do all your clients carry it ?

PROVED BY THE ACID TEST OF TIME

The AMERICA FORE GROUP

THE CONTINENTAL INSURANCE COMPANY
AMERICAN EAGLE FIRE INSURANCE COMPANY
FIDELITY-PHENIX FIRE INSURANCE COMPANY
FIRST AMERICAN FIRE INSURANCE COMPANY

Eighty Maiden Lane,

NEW YORK CHICAGO SAN FRANCISCO



of Insurance Companies

NIAGARA FIRE INSURANCE COMPANY
MARYLAND INSURANCE COMPANY OF DELAWARE
THE FIDELITY AND CASUALTY COMPANY
ERNEST STURM, Chairman of the Board
BERNARD M CULVER, President

New York, N.Y.

ATLANTA DALLAS

MONTREAL

UNITED STATES GUARANTEE COMPANY

(ORGANIZED 1890)

87th Semi-Annual Statement, June 30, 1933

Admitted Assets, \$9,470,811.30 Surplus to Policy-holders, \$3,702,391.92

ASSETS

United States Government Bonds.....	\$1,935,183.02
State and Municipal Bonds.....	633,868.77
Railroad Bonds and Stocks.....	1,252,454.38
Public Utility Bonds and Stocks.....	1,822,853.17
Miscellaneous Bonds and Stocks.....	2,183,179.36
 Total	 7,827,538.70
Cash in Banks.....	\$656,474.36
Cash in Office.....	7,115.00
	663,589.36
 Premiums, not over three months due.....	 867,745.45
Reinsurance Receivable	47,177.81
Accrued Interest	52,217.31
Accounts Receivable	12,542.67
 Total Assets	 \$9,470,811.30

LIABILITIES

Reserve for Unearned Premiums.....	\$2,091,776.14
Reserve for Losses and Claims.....	1,881,616.92
Reserve for Loss Adjustment Expense.....	28,966.23
Commissions and Brokerage.....	185,225.03
Federal and State Taxes.....	100,090.30
Reinsurance Reserves	250,042.86
Accounts Payable	78,132.20
Voluntary Reserve	300,000.00
Contingency Reserve	852,569.70
	 5,768,419.38
Capital Paid in.....	\$1,000,000.00
Surplus	2,702,391.92
 Surplus to Policy-holders.....	 3,702,391.92
 Total Liabilities	 \$9,470,811.30

Contingency Reserve above represents the full difference between "Convention" value of Securities owned and actual market quotations on June 30, 1933.

DIRECTORS

THOMAS H. ALLEN, <i>Chubb & Son</i>	New York
A. M. ANDERSON, <i>J. P. Morgan & Co.</i>	New York
WM. HENRY BARNUM <i>President, Continental Mortgage Guarantee Co.</i>	New York
HENDON CHUBB, <i>Chubb & Son</i>	New York
CLINTON H. CRANE, <i>President, St. Joseph Lead Co.</i>	New York
MOREAU DELANO, <i>Brown Brothers Harriman & Co.</i>	New York

EDWARD D. DUFFIELD, <i>President, Prudential Insurance Co.</i>	Newark
WILLIAM A. HAMILTON,	Boston
JUNIUS L. POWELL, <i>Chubb & Son</i>	New York
GEORGE H. REANEY, <i>President</i>	New York
REEVE SCHLEY, <i>Vice-President, Chase National Bank</i>	New York
DANIEL J. TOMPKINS ,	New York
J. Y. G. WALKER, <i>Walker Bros.</i>	New York

**Home Office
90 John Street, New York City, N. Y.**

**Western Department
Insurance Exchange Bldg.
Chicago, Ill.**

**Washington Service Bureau
Shoreham Building
Washington, D. C.**

AMERICAN AUTOMOBILE INSURANCE COMPANY ST. LOUIS

L. A. HARRIS, *President*

Twenty-two years of friendly service

ASSETS EXCEEDING.....	\$10,000,000
*RESERVES EXCEEDING.....	7,500,000
SURPLUS AS REGARDS POLICYHOLDERS EXCEEDING...	2,000,000

* Includes reserve to adjust Securities to Market Value at June 30, 1933.

CODES

The word of the hour is "Codes."

Industries throughout the country are formulating codes of fair practice for their business.

To this company a code is not new. We threshed this matter of Code out long ago and decided upon a simple rule.

On any important policy or agency consideration, we ask this question—

Is it equitable? Is it fair to our agents? Will they applaud our stand, or be ashamed of us?

Every infraction or gash in our "Code" of fair play remains an unhealed wound.

This is not self-righteousness. Not at all. It may be old fashioned but we think it is common sense.

For we know that we can not make a success of unfairness. We have no bags of clever tricks, no feat of legerdemain that will consistently bring profit, public good will and agency loyalty from sharp business practice.

These come from industry, intelligent thinking, sound management, conservative judgment and playing the game strictly according to "code."

No insurance convention or gathering of insurance men could add anything to this conviction.

So we haven't a "New Deal" for our agents. But agents seeking new representation will find our "Code" easy to work with—and mighty pleasant.

Correspondence invited.



CASUALTY
INSURANCE

FIDELITY AND
SURETYSHIP

Standard Surety & Casualty Company of New York

Home Office: 80 John Street, New York, N.Y.

FRANK G. MORRIS, President

"A Multiple Line Casualty and Surety Company"

The National Underwriter

THIRTY-SEVENTH YEAR—No. 41-A

CHICAGO, CINCINNATI, SAN FRANCISCO AND NEW YORK, FRIDAY, OCTOBER 13, 1933

Office of Publication, 175 West Jackson Boulevard, Chicago, Illinois

LOCAL AGENTS
CONVENTION NUMBER

Wolff Is President, Cole Chairman

Strong Leaders at Association's Helm

New Chiefs of Agents' Organization Both Long Active in Its Affairs

ARE LOGICAL SELECTIONS

Something About Careers of Two Men Who Will Direct Activities for the Coming Year

Convention Headquarters,
Drake Hotel, Chicago, Oct. 13

The National Association of Insurance Agents is again under strong leadership with Allan L. Wolff of Chicago as president and E. J. Cole, Fall River, Mass., as chairman of the executive committee. The election of Mr. Wolff was foreordained, not only because he has been chairman of the executive committee during the last year, but also because of the service he has rendered. Early in the week, it became apparent that Mr. Cole was the logical choice for chairman, the stepping stone to the presidency next year.

Mr. Wolff and Mr. Cole are both conscientious leaders, who take the problems of the business to heart and are able to summon intelligence and courage to their solution. They are both level headed, and although they represent the

Another Great Insurance Day

The final session of the National Association meeting Friday presented a remarkable picture. A spirit of conciliation, conference, and cooperation developed, as incoming President Wolff expressed it. Instead of bulling through a proposed code, which would be anathema to the companies, the job of preparing a code was referred to the executive committee and committee of company representatives.

Instead of adopting stinging resolutions, the subject matter of the resolutions which had been prepared, were re-

ferred to the executive committee. Instead of expressing harsh sentiments towards particular companies, against which complaints had been lodged, bouquets were handed to those institutions for willingness to confer.

The insurance business had another big day. The fundamental harmony of the business was again demonstrated. The machinery for conference within the business again proved effective. A sound foundation was laid for a year of accomplishment by the new administration.

true interests of the agents, they can be counted on not to act without due consideration for the welfare and interests of the companies.

Mr. Wolff has been active in both his state association and the national body. He served as vice-president and later as president of the Chicago Board. He is a man of fine instincts and excellent judgment. Mr. Wolff entered the business in Chicago in 1899 in the local office of Witkowsky & Affeld. In 1909 he became a partner in J. J. Coffey & Co. The firm name was later changed to Coffey & Wolff. He purchased the Coffey interest and conducted the agency himself until 1926 when he became a partner in his present firm, Klee, Rogers, Loeb & Wolff.

Career of New Chairman of Executive Committee

Mr. Cole began his official connection with association activities when he became a member of the executive committee of the Massachusetts association in 1920. He became president of the association in 1922. At the Buffalo convention he was elected regional vice-

president of the National association for New England, which automatically placed him as chairman of the New England advisory board, composed of the presidents, secretaries and chairmen of the executive committees of the six New England states. He has served as chairman of the Massachusetts association's legislative committee for many years. He has also served the National association as chairman of the fire prevention committee and under President R. P. De Van became a member of the executive committee, serving until W. B. Calhoun was elevated to chairmanship of the executive committee when Mr. Cole was made chairman of the finance committee.

He entered the insurance business in 1887, serving in one office for 21 years, and in 1908 entered the business on his own account.

He was born in Cheltenham, Gloucestershire, England, and came to the United States at the age of 14. His mother lives in Oak Park, Ill. His son, E. Forrest, is in business with him. His daughter, Gladys, is a constant attendant at local agents' conventions.

Code Issue Up to Joint Committee

Agents Agree to Confer With Companies—Reverse Earlier Action

LAST SESSION INSPIRING

Spirit of Conference, Conciliation Rules—Resolutions Quashed at Last Minute—U. S. Guarantee Makes Promise

Convention Headquarters,
Drake Hotel, Chicago, Oct. 13

After a solid week of deliberation, the executive committee of the National Association of Insurance Agents at the closing session of the convention in Chicago Friday brought in the recommendation that the question of a code covering fair competition be handled jointly by the executive committee and a committee from the companies. This represented a change of heart, since in an executive session Wednesday afternoon, with only one dissenting vote, the convention authorized the executive committee to proceed to draft a code for the agency end of the business.

The executive committee was prompted to make the recommendation because of what it felt was a change of heart on the part of the companies. On Sunday, Paul L. Haid, president Insur-

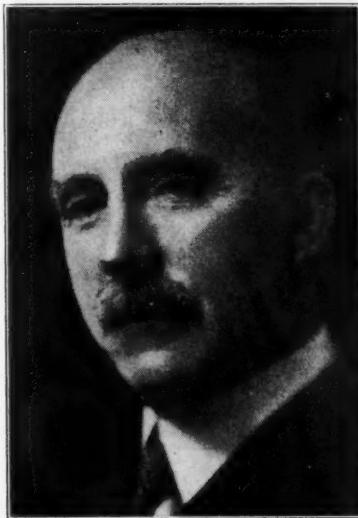
(CONTINUED ON PAGE 19)



ALLAN L. WOLFF, Chicago
New President National Association



CHARLES L. GANDY, Birmingham
Retiring President



E. J. COLE, Fall River, Mass.
Chairman Executive Committee



W. H. BENNETT, New York City
Secretary-General Counsel

Agency Management Sessions Valuable

Ponder Value of Life Departments

Several Big Agents Favor Installing Life Insurance Branch

BROKERAGE DISCUSSED

Albert Dodge Presides—Stanley F. Withe of Aetna Life Outlines Plan of Cooperative Advertising

Methods of handling company brokerage business, how to meet non-board competition, distribution of profits agreements between members of agencies, life departments as adjuncts, and proposed cooperative advertising were salient topics discussed at the Thursday afternoon session of agents producing over \$300,000 in annual premiums. Albert Dodge of Buffalo led the discussion.

L. C. Hilgemann, Milwaukee, said he is opposed to handling brokerage business in a separate account. In his opinion, if the business is good enough to write as brokerage it is good enough to put in with the agency business. C. O. Ransom, Cleveland, said his office sometimes receives orders from brokers outside of Cleveland. The agency always takes the contingent commission, the amount being governed by the city's board, as in most cities.

Letter from Rolson on Non-Board Activity

"How to meet non-board competition" was discussed in a letter from F. Albert Rolson, Baltimore, in which he expressed doubt that the agents' association can be strong enough to force the non-board stock companies into

(CONTINUED ON PAGE 20)

Meeting for Small Agents Draws Largest Attendance

The agency management and operation group session Thursday afternoon for agents producing up to \$100,000 annual premiums attracted a larger attendance than the other two, perhaps another evidence of the depression. The meeting for agents with premiums from \$100,000 to \$300,000 had the next largest attendance and the session for agents with the largest income had the smallest attendance.

Sidney O. Smith of Gainesville, Ga., a member of the national executive committee, presided at the small producers' meeting. Secretary of that meeting was W. G. Hurtzig, president of the New Jersey Association of Underwriters. A feature of the meeting was the reading of a paper by Ray C. Dreher, advertising manager for the Boston and Old Colony, a digest of which appears in another column.

Dreher's Remarks Start Discussions, Questions

Mr. Dreher's remarks stimulated considerable discussion and questions. He recommended preparing a list of prominent clients and showing this to prospects. Sidney Smith asked whether this is advisable for small town agents because of the danger of competitors getting possession of the list.

Another of Mr. Dreher's recommendations was that the agent offer his window display space to policyholders. The question was asked how to provide this service for two or more customers who are in the same business. Mr. Dreher suggested taking them in alphabetical order.

Interest was aroused in the question of whether to advertise the company. C. T. Buckman, Visalia, Cal., said he never advertises the company, only the agency. He never has a company sign in his office. Newspaper advertising is used three times a week but the company is not mentioned. In answer to a question he said his agency spends

2½ percent of its commission income for advertising.

W. A. Schneider, Kankakee, Ill., said that recently a man entered the office with a policy that had been issued through the Moisant agency of Kankakee. The policy had been sent out for renewal in a company envelope. The assured said he did not favor patronizing out of town concerns and wanted to give the business to Schneider.

Finds Company Will Prepare Stationery

Mr. Hurtzig said he has always refused to use company stationery. At first he bought his stationery from a local printer, but one of his companies offered to print stationery without the company's imprint and using the National association emblem.

Mr. Dreher said the Boston will redesign an agent's stationery with modern touch and without company name.

Stewart Maunsell, New Orleans, said he has been using the National association insignia, but recently he had occasion to doubt the advisability of that practice when a client asked him what company it was.

Discussion early in the meeting was on mutual and cut rate competition.

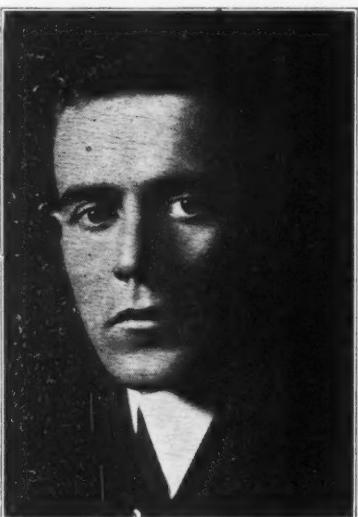
D. C. Hancock, Richmond, Va., said he uses the pamphlet about mutuals prepared by W. L. Deckert of Harrisonburg, Va. This, he said, presents the facts. He said the agents should not be scared of this competition. The farm mutuals in Virginia, he said, are getting more active. They are going after large estates.

Replicas of Competing Policies Are Analyzed

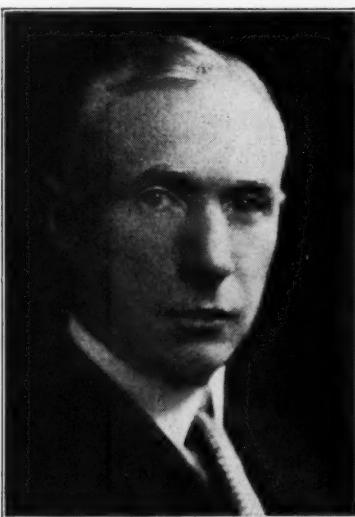
E. R. Pickett, Sacramento, Cal., said the California association prepared an analysis of standard stock company insurance with the policies of one of the large mutuals. Replicas of each policy are presented side by side with what are

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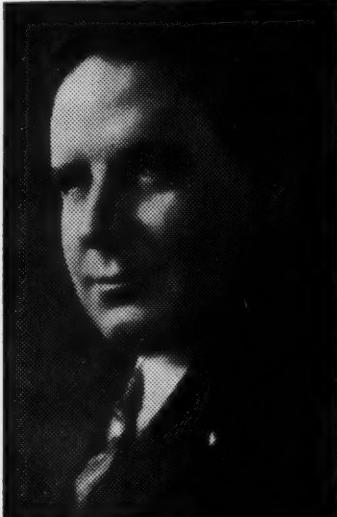
LEADERS OF AGENCY MANAGEMENT GROUPS



SIDNEY O. SMITH, Gainesville, Ga.



FREDERICK HICKMAN, Atlantic City



ALBERT DODGE, Buffalo

Among the most valuable features of the week were the agency management group conferences Thursday afternoon.

The leaders were Sidney O. Smith and Frederick Hickman, both members of the executive committee and Albert

Dodge, past president New York State Association of Local Agents, and chairman national education committee.

To Have or Not to Have Solicitors?

Medium Sized Agents in Group Management Session Debate Problem

COLLECTIONS DISCUSSED

Frank Ennis, America Fore Advertising Manager, Gives Valuable Tips on Production and Advertising

Collection problems, agency expenses and advertising absorbed the attention of Group 2, agents whose offices are producing from \$100,000 to \$300,000 in annual premiums, at their meeting Thursday afternoon. Frederick Hickman, Atlantic City, presided with about 40 agents present. Some attention was given at the opening of the session to the use of surveys and analysis of insurance needs of risks in which John P. Old, of Sault Ste. Marie, Mich., started the discussion with the comment that he had not found any form of survey, whether company or privately published, which exactly suited his needs. In some forms, he said, too much information was included while in others there was not provision for enough information.

Jack G. Cherry, Pittsburg, Kan., said his agency had used appraisal service forms to good advantage. Mr. Livingston said they have made their own forms for specific cases by drawing on the conventional forms for what is pertinent to the risk in question. It was recommended files be kept of surveys made and a record of the insurance needed. The question of determining present insurable values developed a discussion in which the question of considering obsolescence was discussed at some length. It was agreed that a moral hazard was involved in the degree that obsolescence entered into the character of the risk involved. Cases were cited where owners have voluntarily written off substantial portions of the value of buildings recently on the ground of obsolescence.

Method of Compensating Solicitors Is Discussed

Lively interest, as has always been shown in such group sessions, was manifested in the subject of handling solicitors. Alan V. Livingston, Englewood, N. J., recalled at the West Baden and Detroit meetings it was the consensus that, no matter what method of compensating solicitors is used (by commissions, salaries or combinations of both), it eventually reduces to a commission plan, as the solicitor must be profitable to the agency to justify his existence. In the opinion of Mr. Livingston solicitors are not likely to be profitable except in agencies in large centers.

Mr. Hickman said the most important job of agents in this group is personal production and that the idea it will be possible for members of an agency firm to sit back and depend upon solicitors for the business to be brought in is certain to end in disillusionment.

One of three things is apt to happen to the agency that depends largely on solicitors, in the opinion of Clifford A.

(CONTINUED ON PAGE 19)

Breakfast Groups Cover Much Ground

Exchanging Credit Data Is Discussed

Different Practices Explained by Agents from Medium Sized Cities

C. F. LISCOMB PRESIDES

Policy Fee Question and Schemes for Stimulating Interest in Local Boards Also Debated

C. F. Liscomb of Duluth presided over the local board breakfast meeting of agents residing in cities of from 50,000 to 250,000 population. About 60 agents were present. Mr. Liscomb organized the discussion under four topics: "How to make local board meetings attractive from standpoint of attendance," "Exchange of credit information among association members," "Application of in and out rules" and "Public insurance handled by local boards."

R. W. Troxell, Springfield, Ill., said the board there is charging a \$1 policy fee on policies with premiums under \$5 and a 50 cent fee is charged for policy endorsements. That the policy fee is charged is shown on the face of the policy. Bankers have not objected to this endorsement charge and generally send fee with request for changes. Mr. Troxell recommended regular and frequent meetings of the executive board of the association and he said a noon luncheon meeting once a year with fire prevention as a topic to which public officials and large insurance buyers are invited is a good idea for stimulating interest in association membership. The local boards, he thought, should hold regular meetings at least once a month.

Eighty Percent of the Agencies Are Members

There is close cooperation between the Springfield local board and the Illinois state and the national associations, he said. An NRA parade was successfully put on by the Springfield board. An advertisement in the local papers announcing the board's rule on collections resulted in bringing into membership 14 agencies that had not been affiliated. Eighty percent of the agencies in Springfield are now members of the board.

One board is stimulating attendance at regular weekly luncheons by charging a luncheon fee that is forfeited in the absence of the member. The Des Moines board finds it helps attendance to collect luncheon fees three months in advance. Jacksonville, Fla., has found weekly luncheon meetings much more successful than those held once a month.

F. S. Compton, Duluth, said the board there has an attendance and publicity committee which sees that every member is reminded by telephone on the morning of the day of meeting. Several names are assigned to each member of the committee. An attractive circular announcement of meetings has also been used with good results. He recommended a meeting once a year to which local civic officials are invited.

Clifford A. Payne, Jacksonville, Fla., said the board in that city, in handling liability insurance for the city, allocates the commissions among its members but sets aside a certain percentage in a com-

Handling Public Cover Engages Small City Men

J. K. Boyce of Amarillo, Tex., led the lively discussion at the breakfast conference composed of agents residing in cities up to 50,000 population. Leading topics discussed were: The handling of public insurance, business reciprocity programs, mixed agencies and the hiring of solicitors.

Greatest interest centered in the question of handling public insurance. Among those who joined in the discussion were M. H. Bradley of Alameda, Cal., who said prior to a fire in the city hall the city's insurance was in a chaotic state. When the proofs of loss were submitted for settlement of claims it turned out that there were some 19 policies involved in the losses.

The mayor appointed Mr. Bradley and another agent insurance advisers to the city. Mr. Bradley said he canceled short rate the 125 policies covering all the city's risks and issued a minimum of new policies. He stated he thus saved the city about \$850 yearly in premiums.

Induced Many Agents to Join Local Board

Out of 80 agents in the community he was successful in getting about 20 to join the local board including the seven already organized. In settling the commission problem he said 40 percent goes to the agent writing the business and the other 60 percent is held for six or eight months in a fund to take care of cancellations and then divided at the end of that time among members of the local board on a pro rata basis. He said this was a practice followed by all California local boards.

J. L. Woodside, Greenville, S. C., said in South Carolina the practice is state placement, the commission going to the state association instead of the local board and is divided pro rata.

J. S. Williams, Yazoo City, Miss., said the commission is allocated to each county in proportion to the volume of business written by the agents of the county and then allocated among the agents of the county in proportion to the amount of dues paid by each agent.

Pinchback Taylor Tells of Pine Bluff Status

Pinchback Taylor, Pine Bluff, Ark., said the local board went to the county judge who places the county's business and the mayor who places the city's business and made them a proposition which was accepted. They were successful in limiting the members in the local board to nine. Previously every agent in town had a slice of the business, with the city and county paying 80 percent more in premiums than they should be paying. He stated his agency has the business for the city and if an assessment comes up from the state association his office pays one-half of the local board's amount, the rest being spread among the other agents.

"We spread the commission," he declared, "by handing back to the agents an amount in proportion to what they are paying for their local board dues and state dues. This practice encourages an agent not to renege on the amount of premiums he has taken in. We had one man paying \$1.50 a month but later he paid \$15 when he found that the premiums were going to be divided according to this system."

In discussing the next topic, "Business Reciprocity Programs," Mr. Boyce said the Dallas board last year made a survey of the stock insurance business in that city with a view of impressing local merchants of its buying power. Information was obtained by a certified

(CONTINUED ON PAGE 24)

Forum of Ransom Valuable Session

Debate on Desirability of Locally Owned Rule Is Spirited

MEETING OF 'BIG SHOTS'

Some Favor Tying Up Business of Locality—Others Say It Impedes Progress

The desirability of the so-called locally owned rule was spiritedly debated at the local board breakfast conference over which C. O. Ransom of Cleveland presided, the attendants being agents from cities of more than 250,000—"the big shots."

Mr. Ransom is adept in conducting a forum. He stated the problem to be discussed succinctly and recited some of the arguments that could be advanced both pro and con.

By the locally owned rule, he said, is meant that members of a local board may not effect insurance for a nonresident agent or broker even when no commission is paid, when the assured is a resident of the local board territory and his principal property is located there.

Brokerage Department Activity Distressing

L. C. Hilgemann, Milwaukee, said the Milwaukee Board has such a rule and there is a state law to the same effect in Wisconsin. He said the activity of the brokerage departments of companies is most distressing to the agents. Most local agents, he said, would prefer to work through local agents in other towns than through brokerage departments because the service is likely to be better although binders cannot be effected so quickly.

Cliff C. Jones, Kansas City, criticised the principle of such a rule as being opposed to progressive tendencies. Antagonism would be engendered if an agent were compelled to tell a good customer that he was not able to handle his needs in another city. For instance an assured might move to another city but desire to patronize an agent in his old place of residence. Insurance, he pointed out, is being placed throughout the world and the facility of doing business would be greatly hindered if such rules were numerous.

Mr. Ransom said the location of ownership of the property is the governing factor. Mr. Jones said that often subsidiaries, which are commonly believed to be independent concerns, would be hard to classify.

Kentucky Resident Agency Law Cited

W. A. Reisert, Louisville, recalled that the Kentucky legislature, in its last session passed a law prohibiting even special agents from countersigning policies. On property owned in Kentucky by nonresidents, the policy can be written by an outside agent, but it must be countersigned by a Kentucky agent. Brokerage may be paid on such risks. He said agents should be protected as to the property in their own states.

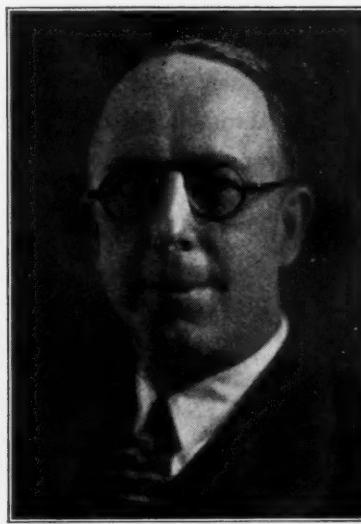
S. J. Horton, secretary Cleveland Board, said the rule in Cleveland orig-

(CONTINUED ON PAGE 26)

Deliver Formal Addresses



A. J. SMITH, New York



JAY S. GLIDDEN, Chicago

Two of the men who delivered formal addresses at the Wednesday session were A. J. Smith, secretary Association of Local Agents of the City of New York, and Jay S. Glidden, manager Chicago Board.

Mr. Smith contended that the agents have a vital interest in making effective the definition of marine writing power.

Mr. Glidden, who is happy when drafting some form to provide for a modern and novel situation, gave an illuminating talk on fluctuating contents value cover. He was mainly responsible for drafting the plan on which the world fair underwriting organization is operating and which has proved very successful.

(CONTINUED ON LAST PAGE)

Dodge Urges Million Dollar Cooperative "Ad" Campaign

An appeal for a million dollar cooperative advertising campaign by fire, casualty and surety companies and the National Association of Insurance Agents was made by Albert Dodge, Buffalo, in his report as chairman of the publicity and education committee. To facilitate action, Mr. Dodge suggested that the agents appoint a special committee of three to cooperate with similar committees from the Insurance Executives Association and the National Bureau of Casualty & Surety Underwriters. Mr. Dodge said the difficulties involved in the coordination of interest in organizations are not as great as they may seem at first, and that such a central committee could formulate plans and put into effect the necessary machinery to form a definite program.

Mr. Dodge suggested that each class of insurance be advertised in ratio to its share of the premium total which would also determine its contribution to the central advertising fund. He recommended that 60 percent of the fund be

devoted to national advertising to build prestige and provide an adequate background for extensive local work. Forty percent would go for local cooperative advertising to focus the force of the national effort on the local community to develop actual sales by the local agent.

Gives Suggestions for Financing Ad Program

To finance the advertising Mr. Dodge suggested that the companies agree to an assessment of $\frac{1}{16}$ of 1 percent of normal net premiums, or about \$845,000 per year; and agents should be asked to pay one-fourth of the cost by contributing $\frac{1}{16}$ of 1 percent of the total net premiums written and should authorize their respective companies to charge them this sum at the end of each month. He said the individual company contributions would not exceed what was formerly spent for calendars and blotters; and that the local agency contribution would be less than that now being spent for

local advertising by a limited number of agents.

Mr. Dodge advocated the employment of a trade press to keep local agents in step with the campaign as a vehicle for informative advertisements in connection with the program.

Councillors Hold Parley With W. U. A. Officials

The national councillors in Western Underwriters Association territory held a conference Thursday morning with W. U. A. officials on matters of forms and practices. The agency representatives were particularly interested in having a more liberal use and occupancy policy that would pay something on account of fixed charges, even though such charges had not been earned in the few months prior to the loss. George W. Carter of Detroit has been studying many questions of form lately and he inspired interest in certain proposals among other councillors. Among other things he is advocating coverage against smudge damage from all kinds of heaters and not merely from oil burning apparatus.

Commissioner Jess G. Read of Oklahoma hobnobbed about the lobby and in headquarters one day.

O'Malley Confers on Rate Litigation in Missouri

A conference between Superintendent R. E. O'Malley of Missouri and two western department officials during the convention was arranged by A. L. McCormack, president Missouri Association of Insurance Agents. The apparently endless Missouri rate litigation was discussed. At the annual meeting of the Missouri association which was held at the Drake during the Chicago convention, Mr. O'Malley said he would take counsel of insurance men in deciding on procedure.

Mr. O'Malley said the agents have suffered more than any other interest in the rate litigation. He concluded by expressing the hope that settlement might be reached which would make Missouri "the happy hunting ground for fire insurance companies."

The Missouri meeting was addressed briefly by retiring President C. L. Gandy, incoming President A. I. Wolff and Vice President Patterson of the American Automobile.

Mr. Gandy remarked that this was probably the first state convention ever held outside the border of the state.

On motion of A. A. Buford of St. Louis, a resolution was adopted endorsing Mr. O'Malley. At the suggestion of T. S. Ridge, Jr., the officers, headed by Mr. McCormack were reelected.

Mr. McCormack emphasized membership. He suggested that Executive Secretary J. W. Rodger spend 10 days in visiting Missouri cities and signing up members. Proposal is under consideration to make membership in the Fire Underwriters Association of St. Louis be coextensive with the Missouri association. There should be a solid agency front in Missouri, he said, so that the agents might get the same consideration that is given agents in other states.

Convention Snapshots

Richard H. Thompson, vice-president of the Maryland Casualty, tells how he spent an evening at the Belgian Village at the fair proving his bargaining powers. After three hours of haggling he walked away with half a dozen choice handkerchiefs, the asking price being \$9 and the final price \$2.50.

* * *

Fred A. Roper of Menominee, Mich., made a special point of going to the world's fair Monday, which was Chicago day, since he spent the same day at the 1893 fair in Chicago.

* * *

S. J. Horton, secretary of the Cleveland Board, and Mrs. Horton, and Mr. and Mrs. H. R. Manchester of the same city, motored to the convention together.

* * *

Two years ago at the National convention, the **Monarch Fire** presented two decks of playing cards to everyone at the banquet. This year President Ralph Rawlings and A. E. Hendricks, head of the special risk department, distributed contract bridge manuals to the banqueteers.

* * *

The **California association** was well represented at the convention. Included in the group were Frank Colridge, executive secretary; A. L. Hoepner, Oakland, and Mrs. Hoepner; H. M. Bradley, Alameda; C. T. Buckman, Visalia; Frank Adams, Fresno; Louis Schmitt, Stockton; Percy H. Goodwin, San Diego; Wm. H. Menn, Los Angeles; Eugene Battles, Los Angeles, and Mrs. Battles; Harold Knight and Mrs. Knight, Los Angeles; Wm. P. Welsh, Pasadena, and F. L. McDowell, Riverside.

Ed R. Pickett of Sacramento, prominent in association affairs, made the trip by airplane.

* * *

Headquarters were established by the **Standard Accident**, the hospitality delegation consisting of Vice-Presidents Paul Bowen and A. J. Crockett, and Chicago Manager V. H. Bartholomew.

* * *

T. P. Southgate, well known local agent from Durham, N. C., and **John D. Saint**, manager of the North Carolina Association of Insurance Agents, motored to Chicago together.



\$245,000,000 was paid in losses under Fidelity and Surety Bonds alone during the past few years by stock Surety companies.

Much of this vast sum immediately became available for trade and industrial purposes.

These classes of coverage are always necessary for the advancement of the country's commerce and finance. They reach every line of human endeavor.

We specialize in Fidelity and Surety Bonds, Burglary, Forgery, Plate Glass, Automobile and other classes of Casualty Insurance, and would welcome the opportunity to serve.

AMERICAN SURETY COMPANY of New York

(Organized 1884)

NEW YORK CASUALTY COMPANY

(Organized 1890)



CHARACTER

The Yorkshire celebrated its First Century of Progress nine years ago--

Established in 1824, the Yorkshire has developed through the constant and conservative efforts of the men who have devoted themselves to the organization so that we see today a company with a stamp of character which has become its own - a reflection of the adherence to the right principles of business for over a century - a reflection of the courage and constancy of purpose which will continue to lead this organization through the years to come.



Will Wrightem
field Correspondent

THE YORKSHIRE
INSURANCE CO. LTD.



LONDON & PROVINCIAL
MARINE & GENERAL INS. CO. LTD.

SEABOARD
FIRE & MARINE AND THE

YORKSHIRE
INDEMNITY CO. OF N.Y.

90 JOHN STREET NEW YORK CITY

ONE HUNDRED AND TWENTY-EIGHTH ANNIVERSARY

1805 - 1933

Caledonian Insurance Company

*The Oldest
Scottish Insurance Office*

Caledonian-American Insurance Company of New York

ROBERT R. CLARK
U. S. Manager and President

The Netherlands Insurance Company of The Hague, Holland

Est. 1845

ROBERT R. CLARK, U. S. Manager

**EXECUTIVE OFFICES:
HARTFORD, CONNECTICUT**

Production Tips Given by Dreher

Plan Your Work and Work Your Plan, Advertising Man's Advice

FAVORS DIRECT - BY - MAIL

Use of Visual Selling Portfolio, Quota of Number of Calls to Be Made Urged

The advice which is so often given at gatherings of life insurance agents—plan your work and work your plan—was voiced by Ray C. Dreher, advertising manager Boston and Old Colony, in addressing Sidney O. Smith's agency management conference Thursday afternoon. "Planned Progress" was his theme.

Mr. Dreher advised agents to survey their business, market and competition, in the light of the depression and the new deal. Canceled policies should be reviewed with the idea of causing them to be reinstated, in view of restoration of buying power.

He urged use of direct-by-mail publicity rather than newspaper advertising. The followup on direct-by-mail is easier, it is a more flexible system and there is less wasted circulation. The competitor is not so likely to discover what lines are being pushed and what service emphasized. Direct-by-mail, he said, cannot be a substitute for personal salesmanship. Its job is to create a desire and a favorable reaction to make it easier for the solicitor.

Preparation of Prospect List Is Recommended

Mr. Dreher advised preparing a prospect or mailing list, using present policyholders, people living in the better residential sections, people whose names are on tax lists, building permits, marriage records, car registrations, members of clubs.

The names should be put on cards and filed so that a certain class of prospect in any section of the city may be approached. Cards should be arranged alphabetically and colored tabs should be pasted on them, the different colors signifying classes of insurance for which the man is a prospect. Combinations of holes can be punched on the cards, denoting various localities. A study should be made of why customers have been lost.

Visual selling was recommended. He advised preparing a visual selling portfolio, containing a photograph of the agent's office, photograph of the building and a history of the agency, a photograph of the office force with a statement as to their background, training, etc., photographs of company field men, photographs of home offices of companies represented, together with financial statements, list of coverages written with sample policies, lists of big names numbered as customers and testimonial letters from policyholders.

Should Set Quota on Number of Calls to Be Made

A quota should be set on number of calls to be made and great effort should be exerted to keep up to the quota. The law of averages will then take care of sales.

Folders describing various coverages should be used intelligently. They should be sent to selected lists of people, together with personally typewritten

Hard Worker



E. G. WHITAKER

E. G. (Doc) Whitaker, assistant to the manager of the Chicago Board, is general secretary of the arrangements committee so far as the local board is concerned in connection with the meeting of the National Association of Insurance Agents. He has had charge of all the details and has done yeoman service. Mr. Whitaker was formerly automobile manager of the western department of the Queen.

letters and should be followed by a personal call within two days.

Side lines should be pushed as a defense against competition and to provide new revenue and as an entering wedge.

Emphasis should be placed on keeping old customers sold, by telling them about every line, giving them the opportunity of buying, writing "thank you" notes or making friendly calls on those who steer customers to the agency, acknowledging in a friendly way when the accounts are paid promptly, by offering customers the use of ground floor window display space of the agency on occasions for advertising. Systematic production campaigns should be conducted in the summer months to take out the dip in the sales curve. A month by month selling plan should be adopted.

Payments by State Units to Headquarters Reduced

Reduction of allocation of payments by the state associations to the National Association of Insurance Agents to 50 cents per member per month for the number of members carried on the rolls of the National association for the last fiscal year was announced in the report of Edwin J. Cole, of Fall River, Mass., chairman of the finance committee. This will produce a total allocation of \$12,875 less than the preceding year and a reduction of 18.5 percent from the allocation of last year.

Although at the close of the fiscal year there was a substantial balance of unpaid allocations from a few of the state associations, the amount of such balances was \$1,494 less than a year ago. "Unpaid agency balances," Mr. Cole humorously remarked, "are not solely the thorns in the flesh of insurance companies."

Total receipts last year were \$19,144 less than the year before, but total expenditures were \$26,117 less. Expenditures were substantially less than provided in the budget. Restrictions have been made up and down the line.

Total net operating expenses for the next fiscal year have been set at \$72,360, a decrease of \$10,400.

Next Step, Parleys With Companies

Case Outlines Course of Action in Behalf of Automatic Cancellation

QUESTIONNAIRE RESULTS

National Bureau of Casualty & Surety Underwriters Has Named Committee on Subject

The next step in the program looking to the use of a clause providing for automatic cancellation for non-payment of premiums will be conferences on the part of the agents' committee with committees from fire and casualty organizations. That information was brought to the convention by James L. Case of Norwich, Conn., in reporting as chairman of the automatic cancellation committee.

The National Bureau of Casualty & Surety Underwriters, he said, has appointed such a committee and he expressed the hope that the Insurance Executives Association would do likewise.

West Virginia Plans to Require the Clause

Mr. Case recalled that, pursuant to a decision reached at the June meeting of the executive committee, a questionnaire was sent to the membership, soliciting their opinion as to the desirability of an automatic cancellation clause. There were 5,824 replies; 4,174 favored the automatic cancellation proposal, 1,211 were opposed, 75 signed the card but did not express an opinion, 3 signed

Not Hard to Guess This Man's Subject Matter



JAMES L. CASE, Norwich, Conn.

James L. Case and automatic cancellation are almost synonymous. He has been the leader in advocating an endorsement providing for automatic cancellation for non-payment of premiums within a specified time—a cause which has provoked voluminous discussion and debate throughout the country. Automatic cancellation is Jim Case's baby. He reported on it Thursday morning.

no name, 240 marked other than "do favor" and 121 marked other than "do not favor."

In West Virginia, Mr. Case declared, the insurance department committed itself to include some form of automatic cancellation in the new automobile liability policy, which is being prepared.

The committee believes the principle is sound and should be accorded thoughtful consideration and further study. The proposal, he said, is desirable because the business demands prompt collection, because it helps agents and companies to accomplish that result, because the companies would be given collection privileges similar to

those now granted to the life insurance companies, because the 90-day rule now in effect grants too long a period of credit to agents and the public, and because present business conditions demand that the best possible collection methods shall be enforced.

Mr. Case said that, though company representatives had claimed the automatic cancellation proposal was dead, when Paul L. Haid, president of the Insurance Executives Association, heard how strongly the agents favored the proposal as indicated by the questionnaire returns, Mr. Haid said he would approve the appointment of a company committee to meet the agents' commit-

tee and would ask to be made a member of that committee.

Company Men on Hand

The Fireman's Fund headquarters was in charge of Charles A. Bickerstaff, southern manager; S. M. Buck, western manager; C. C. Hannah, eastern manager, and E. D. Lawson, western marine manager. The first three went from Chicago to San Francisco for the annual managers' conference.

* * *

F. S. Holt, advertising manager Aetna Fire, attended the convention in company with Western Manager W. N. Achenbach.



GREETINGS FROM THE WEST

To Members of the N. A. I. A.

Gone are the campfires, the covered wagons, the bullwhackers and the herd riders.

But the spirit of the West lives on!

From our present Empire of thriving industry, metropolitan cities, fertile plains and rich mountain ranges we extend greetings.

Rugged character and honest friendliness have always, and shall always, typify the West and its institutions.

These are qualities which have helped build the Western Insurance Companies.

The Western Casualty and Surety Company

CAPITAL, \$750,000.00

ASSETS, \$3,172,752.00

The Western Fire Insurance Company

CAPITAL, \$500,000.00

ASSETS, \$1,398,518.00

Home Office: Fort Scott, Kansas

PROGRESSIVE, depend
P army of Local Agents give
agent a power in his commitment
to local growth and progress.



U S E

UNITED STATES FIDELITY &

with us is

F & G

FIDELITY & GUARANTY

H O M E O F F I C E S : B A T I

dependable Companies—with an
is throughout the country—each
community, and each a contributor
to the welfare of its

F & G

FIDELITY & GUARANTY COMPANY

which is affiliated

G FIRE

GUARANTY FIRE CORPORATION



AT BALTIMORE, MARYLAND

Efforts do count

YOU who attended your 38th annual convention and visited "A Century of Progress" will be amply rewarded if you retain only the inspiration that *efforts do count*.

You were impressed by the World's Fair—you marvelled at its splendor and brilliant conception. There was something inspiring to you about "A Century of Progress" which was conceived and made successful despite an unparalleled depression and great obstacles that would have daunted those with less courageous hearts.

The Fair was "put over" by private individuals, men of high ideals with a fixed purpose in mind and *without* governmental or city aid. An unheard of thing! "A Century of Progress" is outstanding evidence that *efforts do count*.

When the going is tough and the road ahead looks blocked and it seems as if your "progress" is stopped—there is an inspiration to a Local Agent to have back of him an understanding company like the "Eagle Star."

Here is a strong, aggressive fire company that is an asset to any agency. Believing the Local Agent the bulwark of the business, the Eagle Star accords him prompt service and friendly help. *Efforts do count* and all the efforts of this company have been toward building a loyal group of agents. You will enjoy the way we do business.



**British Dominions
Insurance Company Limited**
of London, England

UNITED STATES BRANCH
90 John St., New York City

WESTERN DEPARTMENT
175 West Jackson Blvd.
Chicago

PACIFIC COAST DEPT.
114 Sansome Street
San Francisco

Get Collateral Lines with Small Compensation Risk

F. J. Ney Says Agent Has Right to Demand Supporting Business

Tactful but firm insistence on the part of the agent that he receive the collateral lines if he is to handle the compensation business for the assured was the principal suggestion made by F. J. Ney, vice-president Fred L. Gray Company of Minneapolis, in his remarks on the soliciting and handling of small compensation risks.

The agent should have at his tongue's end the story of the losses that the companies have suffered in the compensation field and the factors that have caused that loss. He should impress upon the assured that he is performing a real service in handling the compensation business at all and should insist that the automobile business, concurrent contractors, manufacturers or owners, landlords and tenants public liability, boiler, plate glass, etc., business be coupled with the compensation line for the same carrier.

Should Not Surrender Weekly to Competition

The agent should not meekly surrender to cut rate competition on the allied lines, he said. Many assureds, he declared, carry allied lines with other companies at exactly the same premium as the agent who handles their compensation business would charge them. Other insureds have never had these collateral lines properly presented by the agent writing their compensation coverage. Wherever the smaller compensation risks favor the same carrier with collateral and supporting lines the difficulty of caring for them is tremendously reduced, Mr. Ney said.

The company, which has all of the lines, can make a saving by making inspections for the various lines at the same time. If the smaller risks would place all of their insurance in one company they would be able to show a combined loss exhibit to support an adverse year here or there on compensation.

Without this support, no assured or agent can reasonably expect their compensation carrier to absorb or digest these unsupported small compensation risks, especially on new business. Rendering proper service to the small risk is more costly to the insurance company and agents than to the large employers whose operations are conducted in or near large cities. The mutual companies do not solicit small employers and as a result the agent gets the lion's share of this type of risk.

The Fred L. Gray Company, he said, found in one state only 6 percent of some 44,000 insured employers were subject to experience rating. The other 94 percent were of the small risk type. Although this relative percentage has changed under recent modifications in the experience rating requirements, the problem of soliciting and handling the small risk has not been materially reduced or eliminated.

Southern Agents Organize

An organization of southern agents was formed at Chicago with H. P. Arnall, head of the Georgia association, as president and John D. Saint, manager of the North Carolina association, as secretary. The states represented at the organization meeting were Virginia, North and South Carolina, Georgia, Florida, and Alabama. The idea is to present a solid agency front in the south. The title of the organization is the Southern Agents Conference.

Priest Gives List of Specifications for Local Boards

A handy list of specifications for local board procedure and setup comprised the report of Frank T. Priest as chairman of the local board committee Thursday morning. The report attracted much interest and undoubtedly all members will check the practices of their local boards against these recommended specifications, which are:

The local board should ordinarily have within its membership only agents compensated on a commission basis; be governed and financed by local agents; clearly define class of business and territory over which jurisdiction is assumed; have a separation rule, or in-and-out rule; that is, not represent companies represented by non-members, nor do business with agents not members.

Qualifications for Members, Code of Ethics Urged

Furthermore it should have a qualification for membership and a code of ethics; have a sole agency rule, or if necessary in the larger centers a limitation of agencies; have positive assurance to each company represented by board members of equality of opportunities to develop business and representation for each company, if at all possible; eliminate over-head writing on the part of any company represented by board members; prohibit rebating; operate strictly within a budget; have a grievance committee; have an insurance committee to work out methods of distribution, etc., of public business; minimize the free insurance evil; set up an exchange of credit information.

The board should practice 100 percent business reciprocity; eliminate the production branch office; require of all members having a real estate loan connection that they will not solicit renewal of policies placed with them as loan collateral by any members of the local board until within ten days of its expiration; have a part in the work of the public safety and fire prevention committees of the chamber of commerce; and last, but not by any means least, make its membership co-extensive.

Wins Springfield Painting

Much interest was caused by the Springfield F. & M. in awarding to the door prize winner at its headquarters a handsome oil painting of the covered wagon insignia which distinguishes the advertising of that company.

President George G. Bulkley, Secretary Robert Crowther, and Charles Freeman, head of business promotion, were present from the home office. Western department officials were also extending a welcome. There were Managers J. C. Harding and W. H. Lininger and Assistant Managers E. G. Frazier and C. E. Varley.

A. W. Neale to Be Married

The past presidents dinner Wednesday evening was marked by the announcement by W. B. Calhoun of Milwaukee that A. W. Neale, who was president of the National association in 1910, will be married soon. This was the occasion for congratulations from all hands.

The American Fire organization was represented with distinction by President B. M. Culver and Secretary Vincent Gallagher from the head office, and practically all executive and department heads from Chicago headed by Vice-President E. A. Henne.

APPLETON & COX, Inc., ATTORNEY
8 SOUTH WILLIAM STREET
NEW YORK

MARINE AND INLAND INSURANCE

REPRESENTING

United States Fire Insurance Company
 Indemnity Mutual Marine Assurance Company, Ltd.
 Royal Exchange Assurance
 Tokio Marine and Fire Insurance Company, Ltd.
 Western Assurance Company

Fire Association of Philadelphia
 North River Insurance Company
 Agricultural Insurance Company
 Westchester Fire Insurance Company
 Seaboard Fire and Marine Insurance Co.

BRANCH OFFICES AND GENERAL AGENTS

Atlanta,
 Appleton & Cox, Inc.,
 10 Pryor Street.

Dallas,
 Frank Rimmer, General Agent,
 Kirby Building.

Chicago,
 Appleton & Cox, Inc.,
 Insurance Exchange Building.

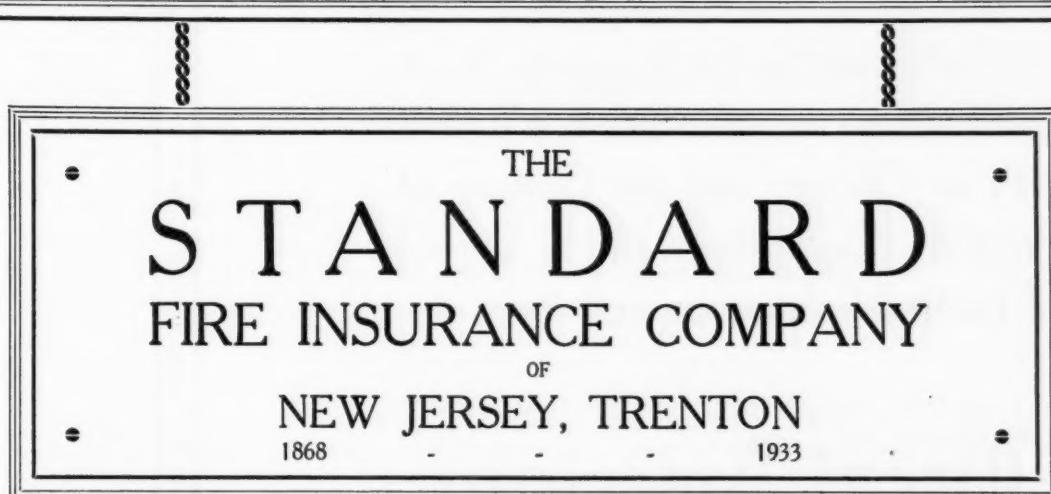
Detroit,
 Appleton & Cox, Inc.,
 First National Bank Building.

Boston,
 Appleton & Cox, Inc.,
 141 Milk Street.

New Orleans,
 Geo. S. Kausler, Ltd., General Agents,
 Hibernia Bank Bldg.

San Francisco,
 Pacific Marine Insurance Agency, Inc.
 114 Sansome Street.

LOSSES SETTLED PROMPTLY IN ALL PRINCIPAL CITIES OF THE WORLD



We extend sincere felicitations to the Agents, the men who make splendid insurance companies possible, and successes inevitable. And had there been Agents' Conventions sixty-five years ago, the Standard would have extended the same greetings.

To build successful agencies and to give those agencies unstinted support is and always has been one of the main planks in our platform of insurance co-operation. We reserve the right to serve our agents cheerfully and whole-heartedly at all times.

To Have or Not to Have Solicitors?

(CONTINUED FROM PAGE 8)

Payne, Jacksonville, Fla., it will be either burned up on losses, accumulate a lot of bad accounts or cultivate a successor. He believes, however, in the employment of salaried specialists as managers of departments such as casualty and inland marine in conjunction with whom the agent works, opening the way for sales interviews. One speaker's experience with salaried solicitors was such that he declared he would never again use that plan but allow solicitors sufficient commission to give them a living profit, a plan which had worked well for them 12 years. Another speaker whose experience with solicitors has been satisfactory said the plan for them worked only with men who could earn \$300 or better a month. He said they had even bought one or two agencies just to get salesmen identified with them.

Opening the discussion of collection problems, Mr. Hickman said his agency saw which way the wind was blowing in 1930 and stopped soliciting new business, concentrating on the business already

ready on the books. They got the business of the agency on a practically cash basis. When they put the matter up to their assureds they found a very ready response and lost very little business. Premium financing is used with good results in his agency, he said.

Turner Tells of Firm Stand on Collections

Wm. F. Turner, Jersey City, said their agency also took a decided stand on collections over two years ago, notifying brokers dealing with their office that accounts due beyond a certain period would be charged to their personal accounts. "Today we have brokers who thank us for the stand taken," he said.

Business on which the premium was less than \$10 was renewed only for cash in their agency, said David A. North, New Haven, Conn. Outstanding accounts also are followed up closely by mailed notices, terminating with notice that the policy will be canceled if not paid for within five days. Business that was hard to collect three years ago is renewed only for cash, while the agency is willing to take some chance on business that has had a good collection record.

In another agency questionable accounts are considered in conferences of all members of the firm and action is

decided upon. Mr. Livingston recommended arranging the business of substantial customers so that premiums are pretty evenly distributed on a monthly payment basis.

A practical talk by Frank Ennis, advertising manager of the America Fore group, closed the session. "The agent who is going to get the most benefit from advertising is the one who follows up his advertising and makes the most contacts," Mr. Ennis said.

To buy advertising advice is expensive, he said, but many companies now have advertising departments which give advice free to their agents. In agency advertising the name of the agency should be emphasized and its identification with the insurance business. "Newspaper advertising is among the best types of publicity you can use," he said. "It is not necessary to use much space but it is important to use attractive and distinctive copy."

Companies are ready to give help also in direct mail advertising but real results are possible only where it is followed by personal calls.

"Most agencies do not appreciate the value of their office windows," Mr. Ennis said. Other lines select business locations on the basis of window display opportunities. He described the best use of posters and other devices in

window advertising. Care should be taken to keep the window attractive.

"If you are going to advertise, make up your mind on a program and keep at it," was his advice. The so-called side lines can be advertised to advantage, in Mr. Ennis's opinion, even for lines where the premium is small because of the contacts that are thus developed. A good idea is for an agent to associate himself with civic and social clubs for the sake of contacts.

Use of Agency Slogans Found to Bring Results

Questions from the floor brought out a number of additional suggestions. Mr. North referred to a slogan used by his grandfather years ago when their agency was on the northern outskirts of the business district in New Haven, "Go North for Insurance." C. B. H. Loenthal, Nashville, thought desirable reaction comes from his slogan, "When you think of insurance think of Loenthal." Another agency has employed a quartette which sings under their sponsorship before service clubs and upon other occasions. In this case Mr. Ennis recommended a tie-up with newspaper advertising. The use of year-books and diaries was considered good under certain conditions. Calendars, Mr. Ennis believed, were effective when there is an insurance message on each monthly sheet.

Compensation Service Plan Is Outlined by C. T. Smith

Cruger T. Smith of the Craddock & Smith agency of Dallas outlined the plan of servicing compensation risks, which his office uses.

The first step is to induce the executive officer of the corporation to accept responsibility for accident control. He is told the actual accident cost per dollar of payroll and indirect losses.

The engineering department of the insurance company is then assigned to survey the property and investigate the morale of the organization. A plan for safety work and physical corrections is developed. Each item in the plan is discussed with the executive in charge. When the plan is completed, it is sent out as an operating guide to all superintendents and foremen.

Claim Adjuster Brought Into the Conference

The claim adjuster is brought into conference with the executive to outline medical requirements and procedure. Medical control by the insurance company's surgeons and physicians is insisted upon. Mr. Smith said his office has adopted the zone system for surgeons and medical care. There are various centers where the best hospitalization can be secured and best surgeons and other specialists. The zone surgeon is acquainted with the compensation act and the requirements under it. All cases, other than those of minor nature, are referred to the zone surgeon. Where an industry operates in cities in which a zone surgeon is not located, care is used in designation of a local physician. In these territories, the physicians are instructed to render first aid so that the patient may be removed to a zone point.

The executive must be impressed with the necessity of reporting all accidents, no matter how trivial. There must be a complete investigation of each lost-time injury and of accident reports that indicate a possibility of the accident not having occurred in the course of employment.

All medical and hospital bills that are not in dispute must be paid on the date they are received.

There is a daily record for the agency of all claims incurred, with the reserves set up.

The agency demands that the assured cause all of his employees to be examined physically and physical disabilities corrected.

GREAT AMERICAN INSURANCE COMPANY — GREAT AMERICAN INDEMNITY COMPANY

MASSACHUSETTS FIRE & MARINE INSURANCE COMPANY — DETROIT FIRE & MARINE INSURANCE COMPANY

To the Agents Assembled at Chicago

Accept our best wishes for a constructive convention, a pleasant visit to Chicago and the Century of Progress Exposition, and a revival of profitable business activity.

Great American
Group of
Insurance Companies
New York

PRACTICALLY ALL LINES EXCEPT LIFE

HOME OFFICE
ONE LIBERTY STREET, NEW YORK CITY

AMERICAN ALLIANCE INSURANCE COMPANY — ROCHESTER AMERICAN INSURANCE COMPANY

Code Issue Up to Joint Committee

(CONTINUED FROM PAGE 7)

ance Executives Association, sitting with the executive committee, indicated the companies were opposed to the filing of a code more comprehensive than that which has already been accepted. However, after the convention had voted for an agents' code, Mr. Haid is reported to have told the executive committee that a company committee would be created immediately to confer on the possibility of filing a joint insurance code.

The executive committee went into session just prior to the opening of the meeting Friday in order to prepare a statement.

U. S. Guarantee-Todd Deal to Be Terminated

In addition to announcing the decision on the code question, Allan I. Wolff, as chairman of the executive committee, reported that he had been authorized to announce that the arrangement between the United States Guaranteed and the Todd Protectograph Sales Company will be terminated as soon as "decency" permits. The Todd company has been selling check forgery bonds in the U. S. Guarantee in connection with the sale of check protection devices.

Another announcement of great interest was that of H. R. Manchester of Cleveland that the Ohio delegation, "in a spirit of conciliation and cooperation" had agreed to leave the question of the Federal Union case in Ohio in the hands of the national executive committee. The Federal Union, a member of the Royal-Liverpool group, is testing the constitutionality of the Ohio resident agency law in the Ohio supreme court in behalf of Johnson & Higgins.

Ohio Contingent on Warpath When It Reached Convention

The Ohio delegation, according to Mr. Manchester, "came to the convention with blood in its eyes and murder in its heart." They felt they were being betrayed, he said, by interests whose past record had indicated they were unusually friendly to agency interests. The Royal-Liverpool, he said, lent itself to a suit in the interests of non-resident brokers, which, if successful, would grant those brokers benefits more liberal than could be granted to Ohio agents. If the suit should be successful, he declared, it would "wreck the insurance business in Ohio." The group, he said, has 1,000 agents in the state and \$2,000,000 in premiums, and he expressed amazement that they would offend the agents who had produced that business.

The suit has been heard, he said, and decision is awaited. The Ohio people made every effort to induce the Royal-Liverpool to retire from the arena. He expressed doubt that officials of the group understood the real questions involved.

However, since coming to the convention and conferring with Royal-Liverpool officials, a spirit of conciliation has developed and there seems to be assurance that a code will be prepared to cover such situations, the Ohio people decided to leave the question with the national executive committee.

As to the code, Mr. Wolff said that circumstances have developed so that "we may safely count on the cooperation of company organizations in pursuit of the code undertaking." This statement was greeted with a burst of applause. Mr. Wolff said conferences had been held in Chicago with Mr. Haid and two company presidents, who were in a position to assure the agents of the cooperation of the casualty companies, as well. "There is every prospect that in the immediate future," said Mr. Wolff, "we will be in position to under-

take the project with the aid and counsel of company executives."

The agents' committee will be selected soon, he said.

Mr. Wolff reported that the grievances which have been presented to the executive committee this year have been numerous and difficult of solution. Conferences were held with President G. H. Reaney of the U. S. Guarantee and Vice-president John T. Jones. Those officials agreed at any time to cease any practice which the executive committee might satisfy the company is contrary to the good of the business and the Todd deal will be terminated in due course.

Frank Wilbur of Kansas City, who cast the only vote against the code Wednesday afternoon, announced he desired to change his vote in favor of the arrangement finally effected.

The cup to the association showing the largest percentage increase in membership in the year went to California as did the cup to the association, the combined mileage of whose members attending the convention is the greatest. W. H. Menn accepted both cups. The trophy to the association with the largest registration at the convention went to Wisconsin, W. B. Calhoun accepting it.

H. E. McKelvey of Pittsburgh was

awarded the trophy, as having performed the most outstanding service to the association. Award was made by Percy H. Goodwin.

J. E. Hassinger of New Orleans reported as chairman of the resolutions committee. Instead of reading two important resolutions which had been prepared, he asked that the executive committee be empowered to act in conference with companies on the subject matter of the resolutions, which were to have been submitted. The memorials which were treated in this unusual way called upon companies to discontinue deferring loss payments for 60 days and called on commissioners to rescind their demand for reports of delinquent agents and brokers.

Frank T. Priest, Wichita, reported for the nominating committee. The new president, Allan I. Wolff, was escorted to the platform by James I. Loeb and Lyman M. Drake of Chicago. Mr. Cole, the new executive committee chairman, was escorted by James L. Case, Norwich, Conn., and K. H. Bair, Greensburg, Pa. The new officers made felicitous talks.

Mr. Gandy introduced E. S. Moore of Birmingham, president of the agency with which Mr. Gandy is connected.

Mr. Goodwin then had Mrs. Wolff, Miss Gladys Cole and Mrs. Gandy es-

corted to the platform. All took a bow and responded briefly and gracefully.

Sidney Smith was introduced and paid tribute to Mr. Gandy, and presented him with a silver coffee set.

Big Bill Calhoun led the convention in singing "Auld Lang Syne" and the big convention adjourned.

The Friday morning session opened with only a handful present. President Gandy launched a discussion in which there was spirited criticism of the practice of invoking the 60-day loss payment clause.

James L. Case, Norwich, Conn., started off with the statement that agents of stock companies suffered because non-organization companies are paying promptly. C. O. Ransom, Cleveland, expressed the belief that companies may reconsider in view of the intense opposition to the practice which developed at Chicago.

Mr. Ransom said the companies believe rather than know that invoking the clause caused a drop in losses. He pointed out losses in 1932 were lower than in 1931. Yet the rule had not been followed then.

Pinchback Taylor, Pine Bluff, Ark., contended the failure of the Globe & Rutgers and the question of the solvency of companies which became acute at the same time the 60-day rule was

1849



1933

AGAIN the "Springfield Group" delights in giving greeting to the National Association of Local Insurance Agents. We feel that your association is imbued with that "pioneering spirit" which is the Springfield's heritage from its founders. That love of adventure. That will to surmount all harassing hazards as we march steadily onward. That spirit, indeed, of progress. . . . Reiterating our loyalty to your association at this time of your 38th Annual Convention, we compliment you on your accomplishments in the past, and wish you continued success in the future!

THE SPRINGFIELD GROUP OF FIRE INSURANCE COMPANIES

SPRINGFIELD FIRE AND MARINE INSURANCE COMPANY

Chartered 1849 Cash Capital, \$5,000,000.00

SPRINGFIELD, MASSACHUSETTS

GEORGE G. BULKLEY, President

Harding & Lininger, Mgrs., Chicago. John C. Dorn, Mgr., San Francisco. W. R. Findley, Mgr., Montreal

CONSTITUTION DEPARTMENT, Springfield, Massachusetts

SENTINEL FIRE INSURANCE COMPANY, Springfield, Massachusetts

MICHIGAN FIRE & MARINE INSURANCE COMPANY, Detroit, Michigan

NEW ENGLAND FIRE INSURANCE COMPANY, Pittsfield, Massachusetts



invoked caused the diminution in losses. Tom P. Ellis, Dallas, said loss claimants have suffered, because with values increasing, settlement at the end of 60 days on the basis of values at the time of the loss caused an injustice.

There was some comment on excepted cities with particular reference to Philadelphia. Albert Dodge, Buffalo, presented some views on the demand of insurance commissioners for reports of delinquent agents and brokers.

Mr. Gandy called for reports from those who conducted the local board breakfast conferences Wednesday, they being John K. Boyce, Amarillo, Tex.; C. F. Liscorn, Duluth, and C. O. Ransom, Cleveland.

Mr. Gandy then reported on the national councillors' meeting Tuesday. Among the subjects discussed were fictitious fleets, premium financing, 60-day loss clause, comprehensive household policy, insurance on properties under mortgage to life companies and other financial institutions.

Mr. Gandy said there was also much discussion of the Interstate Underwriters Board. One of the members asked what the national council is. Secretary W. H. Bennett thereupon read the constitution which explains the setup of the council.

Allan Wolff then reported on the state officers' meeting Tuesday.

Mr. Gandy requested Mr. Wolff to introduce Chief F. C. McAuliffe of the Chicago Fire Insurance Patrols who responded briefly.

The audience stood in memory of C. F. Wilson of Denver, former president of the National association, who died during the year.

The meeting was then opened to discussion of the casualty conference committee report, which recommended that compensation commissions countrywide be reduced to 15 percent. Mr. Wolff said there has been a request for appointment of a committee to deal with the companies on the general subject of compensation. Therefore, the motion prevailed to refer the question to such committee as may be created.

Then came reports of the group agency management sessions Thursday afternoon. Those reporting were A. V. Livingston, Englewood, N. J.; Albert Dodge, Buffalo, and Sidney Smith, Gainesville, Ga.

An amusing interlude was the breaking out of a fire in the clothes of one

of the members. A certain amount of smoke permeated the hall and the convention was convulsed.

The executive session Wednesday afternoon was devoted exclusively to consideration of the proposal to prepare a code for insurance producers covering unfair competition. Even the reports of the conference committee chairmen more or less merged into the code issue. The session opened with the report of George W. Carter of Detroit as chairman of the casualty conference committee. He was followed by Percy H. Goodwin reporting for the fire conference committee. Thomas C. Moffatt of Newark, who was to have reported for the surety conference committee, was not present, but a brief statement was made by Secretary W. H. Bennett. He said some of the federal public works programs are still being loaded with a 10 percent commission.

At the last conference with the surety companies, according to Mr. Bennett, they indicated that commissions would be cut only on projects in excess of \$2,000,000. Mr. Bennett said the spirit of that understanding has been breached by the companies using the ten percent commission factor in rating bonds for subdivisions of large projects.

Then the all-important question of the code was brought up. Mr. Bennett presented a review of the NRA movement since the President's re-employment agreement was put out in July. Mr. Bennett pointed out that General Hugh Johnson, administrator of the NRA, demanded that insurance submit a code. Agreements were filed by several insurance interests, but none of them covered trade practices, they being confined to hours and wages.

Thereupon the meeting was thrown open to general discussion. The room seemed to be composed of jumping jacks. Although the majority of those who spoke favored a code on fair competition, a few expressed opposition. One agent expressed the individualistic position that he had been operating his business for 25 years without regulation; that he knew best how to operate it and regulation would be abhorrent to him.

It became obvious that agreement could not be reached as to just what phases of unfair competition should be proposed for acceptance, so the convention decided to authorize the executive committee to prepare a code.

The executive committee, not only was in session for three days prior to

the opening of the convention but held frequent sessions throughout the day and evenings during the convention. The code question occupied considerable attention but a multiplicity of other subjects came up. Among other things the committee considered the burden upon the companies because of the agents' license taxes imposed by many municipalities particularly in the south. The committee was told of the activity of a tax ferret, who went from town to town in Kentucky telling municipal authorities he could collect back taxes from insurance companies. Now the ferret has invaded Georgia.

The program was carried out smoothly in every particular. President C. L. Gandy opened the meetings promptly at the appointed time even though only a handful was in the room. None of the sessions was prolonged.

Ponder Value of Life Departments

(CONTINUED FROM PAGE 8)

boards but urging that this problem should never be dropped, particularly with regard to those companies which are in local boards in some territories and outside elsewhere.

Mr. Dodge said in the distribution of profits between members of a partnership or corporation it should be remembered that when such a partnership is formed every member has to give and take the same as in a marriage contract. Distribution cannot always be on the basis of production because other phases of the business are equally important, even though the producer would seem to be in the lead. He said often without the advice and suggestions of the others he would not have been able to produce some of his best accounts. He said he was much in favor of junior partnerships and the provision for retirement of older members through group insurance.

At this point the question of personally delivering renewals was brought up and it was generally agreed that this personal contact was necessary, not only in assuring the retention of that policy but in providing more insurance which may have become necessary since the original policy was issued.

In speaking on side lines Mr. Dodge asked: Does it pay for a so-called large agency to have a general agency for a

life company and how should it be handled?

J. K. Walker, Chicago, stated his agency has a production department and it must report each risk so that each case can be analyzed to see if the assured needs some other form of insurance. He said they are able to make this analysis by keeping cards on which are indicated every class of insurance that each assured should have. Each quarter the card is turned over to a producer who calls on the policyholders to see if they cannot be sold some of the additional insurance. He said the biggest results are ignored when the small fellow is ignored. Mr. Hilgemann said his agency kept such a card system and in addition they kept prospect cards of their assureds for possible life insurance sales. He said life insurance is a specialty line and his agency had a specialty man to take care of it.

Mr. Dodge said when his agency decided to enter life insurance they asked one of the better companies to supply a man to handle the department. His agency, he said, now writes more life business than the company's branch office in Buffalo. The life department is able to work up a large prospect list through the files of other lines.

The life department has been the only department to make a profit in the last year or so. He said life insurance does not require a lot of attention.

Mr. Walker said his was the first fire agency in Chicago to enter the life business and that they are amazed today at its value.

Effective cooperative advertising through the medium of newspapers, radio, direct mail, agency magazines and moving pictures was taken up at length by Stanley F. Withe, manager of the Aetna Casualty publicity department. Mr. Withe brought sample copies of newspaper ads he had prepared which he proposed to supply to member bureaus companies, they in turn supplying them to an agent or group of agents for local use.

In radio advertising he suggested that Victor record transcriptions composed of music and talks be prepared to be used on local stations, a number of agents sharing the cost. He suggested making educational moving pictures to be put on at luncheon clubs, civic organizations and churches thereby reaching a large audience, to be borrowed by any agent representing a bureau company.

DEPENDABLE CHICAGO AGENCIES

ASSOCIATED AGENCIES

Klee, Rogers, Loeb & Wolff
Herrick, Auerbach & Vestine

1637 Insurance Exchange
CHICAGO, ILL.

Telephone Wabash 1780

ENGELHARD KROGMAN & COMPANY

We have unlimited facilities
for writing all classes of

INSURANCE

A1220 Insurance Exchange
Telephone Wabash 2560
CHICAGO

L. A. ROSE & COMPANY

25 Years
representation of high class
companies for all lines.

◆
Telephone Harrison 2183

Insurance Exchange
Chicago, Illinois

R. A. NAPIER & COMPANY

Established 1893
40th Anniversary

Excellent Facilities

Real Service

Representing Large Companies

175 W. JACKSON BLVD.
INSURANCE EXCHANGE
CHICAGO :: ILLINOIS

ELIEL & LOEB COMPANY

Phone Wabash 3961

1737 Insurance Exchange
CHICAGO

◆
General Agents:

Atlas Underwriters
New York Fire
Republic Fire Underwriters
Merchants Assurance Co.
Importers & Exporters Underwriters

Tokio M. & F.
New Brunswick
Century
Allemannia

For all casualty lines

Travelers Indemnity Co.

Bankers Indemnity Co.

Managers

*Ten Strong
American Companies*

BRUMMEL BROS.

Insurance Underwriters

175 West Jackson Boulevard, CHICAGO

Phone Wabash 2055

Complete Service in All Lines of Insurance

R. W. HOSMER & COMPANY

ESTABLISHED IN 1867

P. B. HOSMER
ROCKWOOD HOSMER
A. J. KUELZOW

Insurance Exchange
CHICAGO

One of the
Old Reliable Chicago
Agencies

Fire—Casualty—Surety

CHICAGO Western Insurance Center

In Chicago are the great western departments, the various insurance associations and bureaus and the large local offices. . . . Naturally there is business in Chicago that is controlled by agents living in other cities. We will be glad to render assistance to such agents. . . . When you visit Chicago, come to the Insurance Exchange and call on us. If we can help you with your insurance problems, we will be glad to do so. If we can add to your pleasure while in the city, do not fail to call on us. The tie that binds local agents together is strong. Let us make it stronger. . . .

R. W. HYMAN & COMPANY

Companies Represented
ALLIANCE INSURANCE CO.
EAGLE FIRE INSURANCE CO.
FIREMAN'S FUND INS. CO.
INSURANCE CO. OF NORTH AMERICA
LAFAYETTE INSURANCE CO.
MICHIGAN FIRE & MARINE INSURANCE CO.
NATIONAL FIRE INSURANCE COMPANY
NEW HAMPSHIRE FIRE INSURANCE COMPANY
NORTH RIVER INS. CO.
YORKSHIRE INSURANCE CO.

Telephone Wabash 3410
INSURANCE EXCHANGE
CHICAGO

FREDERICK O'BRIEN

O'BRIEN INSURANCE AGENCY

Royal Exchange Assurance
Car & General Ins. Corp.

223 W. Jackson Blvd.

Republic of Texas
Mechanic & Traders Ins. Co.
Norwich Union Indemnity Company

Telephone Wabash 6272

Occidental Ins. Co.
Fireman's Fund Ins. Co. (Auto)

Chicago, Illinois

HAROLD M. O'BRIEN

A GENTS' COMPANIES

in every sense of the word

United States Fire Insurance Company
of New York
Organized 1824

The North River Insurance Company
of New York
Organized 1822

Westchester Fire Insurance Company
of New York
Organized 1837

British America Assurance Company
Toronto, Canada
Incorporated 1833

Richmond Insurance Company
of New York
Organized 1907

Allemania Fire Insurance Company
Pittsburgh, Pa.
Organized 1868

Western Assurance Company
of Toronto, Canada
Incorporated 1851

Southern Fire Insurance Company
of Durham, N. C.
Incorporated 1923

WE believe in the ideals and principles of the National Association of Insurance Agents and enthusiastically support agents' participation in their State and National Association.

You will find Crum & Forster companies are true agents' organizations and a welcomed addition to any agency. Investigate today if you want real agents' companies of age and strength.

Western Department
•
Freeport,
Illinois
•
Fred M. Gund,
Manager

CRUM & FORSTER

Managers

110 William Street

New York City

Meeting for Small Agents Draws Largest Attendance

(CONTINUED FROM PAGE 8)

regarded as the weak points of the mutual coverage indicated.

C. M. Bender, Towanda, Pa., turned out to be the humorist of the meeting. He had a dry way about him that tickled the audience. "Mrs. Bender," he said, "always writes my speeches and I didn't know how I was going to have a chance to make a speech here, so I didn't have her write one this time." He said competition from reciprocals is becoming keener in his part of the country. He hesitated at one time, just before it was obvious that he was about to utter the term "omnibus coverage." Some helpful member suggested that was the term for which he was reaching. "Thank you," he replied, "I can only think of one thing at a time." He complained that surety companies are furnishing bonds for reciprocals. He said he is the only agent in his town who doesn't represent a cut rate company.

Competition of Good Mutuals Hard to Meet

J. K. Crawford, Mt. Vernon, N. Y., told about the strong advertising of an agent for the (American) Lumbermen's Mutual Casualty. The large premium volume of the company is set forth, a statement of its assets and the type of its portfolio. That agent advertises that a buyer must select among mutuals; that there are good cooperatives and bad. This sort of competition is hard to meet, Mr. Crawford said.

Austin Caswell, Minneapolis, said an effective argument is that only one loan company in Minneapolis and St. Paul will accept a mutual policy as security for loans.

Lyle Gift, Peoria, Ill., requested that the "American Agency Bulletin" publish a comparison point by point of stock and mutual insurance.

Sidney Smith said he attended a meeting of the executive committee at which a delegation from New England appeared and threatened that the New England agents would resign in a body from the National association unless the "Agency Bulletin" ceased attacking mutuals.

Situation in the New England States Explained

A New England representative at the meeting explained that agents in that part of the country must patronize the farm writing mutuals because the stock companies refuse to write farm business. These mutuals are not competitive. The New Haven, Conn., board recently, however, passed a rule forbidding representation of mutuals other than those of the purely farm writing type.

There was some discussion of the competition from the Merchants of Indiana which writes a five year policy at

Interest Attracted by Boston Tea Party

The most cleverly arranged headquarters was that of the Boston and Old Colony. A quaintly lettered sign appeared at the door "The Boston Tea Party." Inside was colonial furniture and the walls were hung with old prints. At the tables which were covered with red and white checked table cloths, was served baked beans and brown bread.

The welcomers included Western Manager B. L. Hewitt of Lansing, Mich., and Assistant Manager Earl Gibbs. From the head office came Ray C. Dreher, advertising manager who was widely complimented for the attractive and unusual arrangements.

four times the annual rate spread in five equal annual installments. Some of the Alabama agents said the company is active in that state.

Sidney Smith said one of the best arguments is the preferential tax treatment accorded the mutuals. Another argument is that should the stock companies get the preferred business now going to the mutuals their rates could be lowered to the point where there would be no saving in mutual insurance.

J. C. Kidd, former commissioner of Indiana, spoke briefly, explaining a point about the Merchants of Indiana. He formerly operated an agency at Brazil, Ind.

W. H. Lucas, Le Roy, N. Y., told of cases in which he had found that the mutuals were charging excessive rates in order to pay back a dividend of impressive proportions.

One topic was unusual form of coverage. There was some discussion of the market for long distance haulers, which is extremely limited.

C. T. Buckman objected to the new rule limiting short hauls to 25 miles, which he said is not adequate in the great open spaces.

Jottings at the Drake

Jesse Phillips, chairman of the Great American Indemnity, was a popular conventioneer. He also spent some time at the meeting of the American Life Convention at the Edgewater Beach hotel, fraternizing with life company officials, whom he has known since he was New York superintendent.

* * *

A pleasant convention event was the luncheon given Thursday in the Drake hotel by United States Manager W. A. McConnell of the **Century of Scotland** and Assistant Manager John Hosking, to about a dozen agents of that company.

* * *

C. R. McCabe of Chicago had the experience of being on the hotel and reservations committees of two conventions in two successive weeks. He served the American Legion and then the National association.

SCOTTISH UNION AND NATIONAL

Insurance Company

HARTFORD, CONNECTICUT

J. H. Vreeland, Manager—J. H. McCormick, Secretary

Assets, \$8,345,486.26

Established 1824

Liabilities, \$5,308,746.03

Policy Holders Surplus, \$3,036,740.23

AMERICAN UNION

Insurance Company

Administrative Offices: HARTFORD, CONNECTICUT
J. H. Vreeland, Pres.—J. H. McCormick, V. Pres.

Assets, \$2,368,813.11—Liabilities, \$699,339.17
Policy Holders Surplus, \$1,669,473.94

Policy Holders Surplus Actual Market Quotations as of June 30, 1933

• The Companies of this Group are entirely local agency companies, both in the letter and in spirit observing the principles of the American Agency System. A complete portfolio of lines is written: Fire, Windstorm, Automobile, Sprinkler Leakage, Rents, Use and Occupancy, Inland Marine, and Riot and Civil Commotion.



CENTRAL UNION

Insurance Company

Administrative Offices: HARTFORD, CONNECTICUT

J. H. Vreeland, Pres.—J. H. McCormick, V. Pres.

Assets, \$1,235,965.96—Liabilities, \$240,692.91

Policy Holders Surplus, \$995,273.05

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Safety Symposium Led by Morrison

L. E. Wallace Hits Insurance for Alleged Indifference to Accident Prevention

J. J. HALL IS SPEAKER

W. G. Hurtzig of New Jersey Tells How to Organize a Community for Campaign

The symposium on highway safety was attended by a small number, but those on hand undoubtedly were those with a real interest in the question and the speakers therefore were sure of response.

Sam T. Morrison, Iowa City, made the introductory remarks, and introduced the speakers. He said agents in their scramble for premiums, are overlooking the necessity of accident prevention work.

Hurtzig Tells How to Organize Campaign

W. G. Hurtzig, president New Jersey Association of Underwriters, outlined a method of organizing a community for accident prevention. A public meeting should be held to decide whether a campaign should be launched. If so, a chairman should be elected, together with a number of vice-chairmen representing various interests, and a secretary-treasurer. Committees should be formed: publicity, poster distribution, finance, education, law enforcement, speakers and inspections. The National Bureau of Casualty & Surety Underwriters will aid in setting up the plan.

Persecution should be avoided in planting speed traps, encouraging a campaign of arrests, etc. Warning cards should be given to motorists, the policeman retaining a stub. Cooperation of state police should be obtained. The inspection committee should be headed by a garage man, and approved garages and inspection bureaus should be designated for free inspections. Stickers should be placed on windshields of cars that have passed inspection.

National Bureau Posters Should Be Distributed

Posters, supplied by the National Bureau, should be set up in hotels, traffic intersections, garages, etc. The campaign should be organized on at least a two-year basis.

The next speaker was L. E. Wallace, superintendent Iowa motor vehicle department, who castigated the insurance people for their alleged indifference to accident prevention. He said the insurance companies declined to contribute to a campaign in Iowa. The public, he declared, some day will refuse to finance prevention activity and let the insurance companies "reap the benefits." He said he has received no insurance cooperation except from J. Dillard Hall, Iowa manager for the U. S.

F. & G. Unless insurance participates in the activity, there will be a demand for compulsory automobile insurance written in state funds.

John J. Hall, the premier accident prevention campaigner, concluded the symposium. He is director street and highway safety National Bureau Casualty & Surety Underwriters. He told an impressive story of what has been accomplished.

The American of Newark headquarters were not as boisterous as some of the others, but many conventioners dropped up for comfortable chats. There were present Vice-President P. B. Sommers, and Western Manager Robe Bird of Rockford. Then there was President H. P. Jackson of the Bankers Indemnity and Chicago Manager H. G. Magargal.

Crum & Forster Rooms Prove to Be Lively Spot

One of the liveliest headquarters at the Drake hotel was that of the Crum & Forster companies. R. Irving "Heavy" Read, general chairman of the Chicago convention committee, is Chicago manager for Crum & Forster and he steered many of his friends to the Crum & Forster quarters. Some of Mr. Read's friends composed a parody on "After the Ball Is Over" to the effect "After the fair is over, where will poor Heavy go?" and Rockwood Hosmer, president of the Illinois Association of Insurance Agents, led the congregation in singing this epic every 15 minutes.

The Crum & Forster people passed

around a card in the form of a key, inscribed "This is your key to room 825." They also gave out maps of the world fair.

Officials of the group on hand included President J. Lester Parsons, Vice-president Harold Junker, Southern Manager J. H. Hines of Atlanta, Western Manager Fred Gund from Rockford, Assistant Western Manager J. W. Gregory, S. H. Quackenbush, western manager of the Westchester, and F. R. Mueller, assistant Chicago manager.

* * *

John G. Yost, assistant secretary and official entertainer for the Fidelity & Deposit, accompanied by Mrs. Yost, arrived early and set up headquarters. He was assisted by W. H. Hansmann, Illinois state manager of the F. & D., Fred A. Doenges, St. Louis manager and R. D. Searles, of the Chicago office.

AMERICAN HOME FIRE ASSURANCE COMPANY

111 WILLIAM STREET NEW YORK

Statement
JUNE 30, 1933

ASSETS

*Bonds and Stocks.....	\$2,763,650.51
Cash in Banks.....	31,333.30
First Mortgage Loans on Real Estate.....	514,560.00
Agents' Balances, not over 90 days.....	237,677.23
Reinsurance Recoverable	101,947.25
Interest Accrued and Other Items.....	29,295.71
TOTAL ASSETS	\$3,678,464.00

LIABILITIES

Reserve for Unadjusted Losses.....	\$ 138,015.00
Reserve for Unearned Premiums.....	398,160.00
Reserve for Taxes, Loans Payable and Other Items.....	242,980.18
**Contingency Reserve	704,846.01
Capital Stock	1,000,000.00
Surplus	1,194,462.81
TOTAL LIABILITIES	\$3,678,464.00

*Values on basis approved by National Convention of Insurance Commissioners.

**Contingency Reserve represents the difference, in full, between Insurance Department valuations and the actual Market quotations of securities.

J. S. FRELINGHUYSEN, President

H. EDW. BILKEY, Vice-Pres.
W. F. WATSON, Vice-Pres.
W. F. DIEFENBACH, Secy.

C. C. SCHMELZ, Asst. Secy.
M. F. GARRATY, Asst. Secy.
B. R. VAN FLEET, Asst. Secy.

SURPLUS TO POLICYHOLDERS \$2,194,462.

Established 1852



W. A. EARLS, President

We are equipped to render efficient engineering service on your Ohio business

81 YEARS OF INSURANCE SERVICE

**THE EARLS-BLAIN COMPANY
THE LAWS' INSURANCE AGENCY CO.
CINCINNATI, OHIO**

Incorporated 1897

Northern
Insurance Company
of New York.

EIGHTY-THREE MAIDEN LANE, NEW YORK

(STATEMENT AS OF JUNE 30, 1933)

ASSETS

Mortgage Loans	\$ 103,950.00
*Bonds and Stocks.....	7,613,319.35
Premiums in Course of Collection....	758,792.20
Reinsurance Recoverable on Paid Losses	41,108.73
Interest Accrued	34,380.00
Cash in Banks.....	623,070.13
Other Assets	1,016.76

\$9,175,637.17**LIABILITIES**

Unearned Premium Reserve.....	\$3,730,434.92
Unadjusted Losses	326,500.00
Reserve for Taxes and Other Claims..	150,000.00
†Contingency Reserve	1,161,485.35
Capital Stock	\$1,000,000.00
Net Surplus	2,807,216.90
	3,807,216.90

\$9,175,637.17

*Valuations on basis approved by National Convention of Insurance Commissioners.

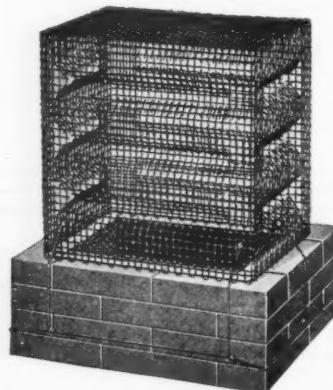
†The Contingency Reserve represents the difference between the market quotations as of June 30, 1933, and the values of bonds and stocks carried in assets.

Improve Your Loss Ratio and Earn Extra Commissions For Your Agency

As simple as A B C is this method whereby agents can make more money for themselves by recommending the

NATIONAL SPARK ARRESTER

- A. Your assureds receive a credit in the rate on farm buildings equipped with approved National Spark Arresters. Pass this saving on to your clients and give them modern fire protection from damaging chimney sparks.
- B. By so doing you improve your standing with both the assured and your company because the spark arresters will save both of them money.
- C. In addition, you will be well paid for your time and trouble because of the liberal commission paid you by the manufacturers of the National Spark Arrester.



These arresters, one style of which is shown to the left, are approved by the Farm Underwriters Association and effectively prevent fires from chimney sparks. They cost but little and fit every size and style of chimney. Write today for complete information and prices.

NATIONAL SUPPLY & SERVICE CORP.

Member N. F. P. A.

Crawfordsville, Indiana

Handling Public Cover Is Topic of Small City Men

(CONTINUED FROM PAGE 9)

public accountant and letters written to merchants, describing the conduct of the stock insurance business. The results were "gratifying."

Mixed Agency Issue Cited by L. R. Martin

L. R. Martin, Pocahontas, Ark., opened the discussion of mixed agencies. He pointed out that the companies have cooperated in withdrawing their agents when it was discovered there were mixed agencies. He said up until a year ago they never had a strictly mutual agency in the state, but since then the stock companies have cleared out of mixed agencies. The local boards secured the names of the stock companies in these mixed agencies and asked their cooperation. He said every local board in Arkansas requires that there be a by-law in its charter which forbids the agency being mixed.

J. A. Searles, Marion, Ind., questioned the result to the American agency system if some of the agents continue in their "off" companies to take care of emergency cases. It was brought out in answer that any company giving a rate which was refused by an association company was a cut rate company and the agent should refuse such business.

Solicitors on Salary Basis Preferred

In speaking on the hiring of solicitors Frank T. Priest, Wichita, chairman of the local board committee, said he never hired a solicitor on other than a salary basis as the hiring on a commission basis would eventually lead to competition within the agency. Salaried solicitors are paid according to what they are worth, usually about \$180.

W. E. Leigh, Monroe, La., stated the by-laws of his board prohibit the hiring of solicitors on a commission basis. E. M. Polk, Corsicana, Tex., and others agreed that in putting solicitors on a commission basis encouraged competition from such solicitors and that salary basis was the only sound practice to follow.

J. L. Case, Norwich, Conn., urged agents to go back to their home towns and do everything in their power to build the membership of the association. He urged them to increase their programs so that more agents would become interested in the work of the association and local boards.

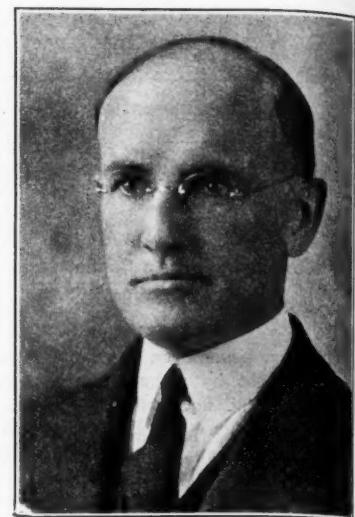
Qualification Laws Not Satisfactory, Lyman Drake Says

Operation of agency qualification laws has not been entirely satisfactory, Lyman M. Drake of Critchell, Miller, Whitney & Barbour, Chicago agency, declared in his talk on "Modern Insurance Trends" in the opening session. The laws have not done as much as agents expected of them. He cited the licensing of 77,000 agents and brokers in Illinois this year. It might be much better to limit the number of agents that could be appointed in a state to the maximum that could make a decent living there.

Mr. Drake also took exception to the coinsurance clause in fire policies, which, he said, because of depreciated values of buildings does not now operate properly. He urged one of two methods for correcting the situation. One plan is to agree when the policy is written on the amount of insurance to be carried, increasing the rate proportionately if the building is depreciated and the amount of insurance carried is less than replacement value.

The second method is to put it up to

Favors Reporting Form of Use and Occupancy

**HOWARD CAMPBELL, Kansas City**

Howard Campbell, insurance engineer for R. B. Jones & Co., Kansas City, in a formal address Wednesday advocated use of a reporting form of use and occupancy by stock companies. He made a well informed and analytical talk.

assured by requiring him to insure for replacement value less the agreed percentage of depreciation under a clause drawn like the coinsurance clause but stating the year that the building was constructed and the percentage of agreed depreciation, adding to the rate as is done for lower percentages of coinsurance as the depreciation increases. Neither method, he said, would make a valued policy.

Mr. Drake approved companies' refusal to pay for cigarette burns. He said he considered the situation disturbing in which big fire premiums are being taken from regular agency channels into various underwriting pools and non-tariff companies.

Corroon & Reynolds Dinner

A jolly party of about 40 agents was entertained at a dinner in the Edgewater Beach Hotel Wednesday by officials of the Corroon & Reynolds organization, they being President R. A. Corroon and Vice-presidents E. S. Inglis and R. R. Wilde. Mr. Corroon made a few remarks, reviewing the successful manner in which the group has endured hard times and expressing the opinion that a definite upward trend is discernible. Responses were made by Jacob Loeb of the Eliel & Loeb agency of Chicago and by his son, Hamilton M. Loeb.

Kansas to Have Exhibit

Wade Patton and W. S. Thompson of Hutchinson, Kan., have induced officials of the North America to send that company's valuable historical exhibit of fire marks, etc., which was set up at the Chicago convention, to the meeting of the Kansas Association of Insurance Agents in Hutchinson Oct. 18-20. W. P. Robertson, assistant western manager of the North America, will attend the meeting.

Has Million in Bad Checks

An exhibit that attracted great attention was that of \$1,000,000 in bad checks for which the National Surety has paid forgery losses. The National Surety welcomed consisted of Executive Vice-President E. M. Allen, Vice-Presidents E. A. St John, S. G. Drake, R. W. Smith of Denver, H. B. Johnson, and Eugene Luther, field supervisor.

O. H. GAEDKE, Pres.

A. A. MILLER, V. Pres.

A. L. FISCHER, Secy.

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611 N. Broadway :: MILWAUKEE

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General Agents for Wisconsin and Northern Michigan

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Fred J. Lewis, Pres. C. J. Schwarten, Vice Pres.

**GEO. H.
RUSSELL CO.****GENERAL
INSURANCE***Personal and Engineering Service on Brokerage Lines***CHRIS SCHROEDER & SON CO.**
MILWAUKEE**GENERAL AND LOCAL AGENTS
ALL LINES OF INSURANCE**

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ROBERT E. HACKETT, Vice President**"We Want Your Business"
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& NOYES CO.****Insurance***We maintain an efficient
Insurance Engineering and
Inspection Department*825 North Jefferson St.
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A Dependable Insuror During These Times

• Due to the uncertainty of the times, insurance companies should be capable of meeting every contingency that may arise.

Back of every policy written by the Millers National Insurance Company is sound and reliable protection assured by the fact that every hundred dollars of liability is backed up with almost two hundred dollars of assets. Every obligation is met fairly and squarely, and has been during the years since 1865.

If you demand strong companies in your agency, Millers National is your type of Company. Write immediately for complete information.



MILLERS NATIONAL INSURANCE COMPANY

One of the strongest fire companies in business

CHICAGO



Send 9 cents in stamps for sample copy of THE ACCIDENT & HEALTH REVIEW

*The only exclusive accident and health paper published.
It gives ideas and suggestions that help you sell income protection insurance.
Address your inquiry to A-1946, Insurance Exchange, Chicago*

Forum of Ransom Valuable Session

(CONTINUED FROM PAGE 9)

inally did not prohibit effecting insurance but merely outlawed paying commissions. Abuses developed and ways were found to pass commissions. Then Cleveland went a step further and prohibited effecting insurance. Answering Mr. Jones' statement about the handling of insurance for a man who moves from one city to another, he said it is perfectly proper to force such a man to transfer his insurance.

Mr. Horton said the Cleveland people induced the Lorain agents to organize a board. Soon the Lorain agents complained about the activity of Cleveland producers in Lorain and they adopted a locally owned rule.

J. Klein of Newark said in his city, which is so close to New York, such a rule could not be enforced.

Problems of the New Jersey Agent Told

H. B. Nelson, Jersey City, said the New Jersey resident agency law has not helped the legitimate agents in that state, because the companies have arranged for their employes, who live in New Jersey, to countersign policies. Mr. Klein said company officials residing in New Jersey do the same thing.

Stewart Maunsell, New Orleans, said the New Orleans exchange has jurisdiction over three parishes and such a rule would not be applicable.

Mr. Hilgemann asked whether the interests of the public were being considered in the argument.

Eugene Battles, Los Angeles, said distinction should be made between intra- and interstate rules. He advocated an arrangement for interchange of business within a state wherein the rights of agents in the different cities would be protected. In Los Angeles there is a rule that policies must be issued by the resident agent on his own series, but agents and brokers in other California cities may place business in Los Angeles and receive a commission which shall be at least 5 percent less than that received by the Los Angeles man. Each member is required to file with the Los Angeles Board an agreement with his companies that they will observe this rule.

Thomas Goss, Cleveland, told about a large risk which he had been handling for years. Recently a new manager was appointed from outside the city. He desired to place the insurance with an agent and friend elsewhere but the locally owned rule prevented this.

Problem of Non-Policy Writer Is Discussed

The second question to be discussed was the non-policy writing agent and how he might be controlled by the local board.

Mr. Battles said Los Angeles does not

permit non-policy writing agents. He was asked about the non-board companies and replied that some of them are running wild as to the appointment of solicitors. This problem, however, can't be reached through the local board.

Alfonso Johnson, Dallas, drew a laugh when he said that the non-policy writing agents starting out from the big branch offices in his city in the morning resembled Coxey's army.

W. F. Stantz, Brooklyn, said there are 25,000 brokers in New York and Brooklyn. There is a rule in Brooklyn limiting a company to two agents but the New York City men write over the heads of those agents.

There was also a discussion of the desirability of sole or limited agency representation and obligation.

Battles Prefers the Limited Agency Rule

Mr. Battles said he favors the limited agency rule instead of the sole agency. Under the sole agency rule, if an agent fails the company must make a new start. The limited agency rule is effective and gives the companies an opportunity to get a better spread of business.

Cliff Jones said R. B. Jones & Sons has been on a sole agency basis for 20 years. That results in having fewer companies, a bigger volume for each company and prompts the company to give greater consideration to the agent. It also reduces acquisition cost and is a source of pride to the agent.

Mr. Maunsell said the agents should remember the capital investment of the companies which entitles them to get a representative business out of a city. There should be limitation of agencies to not more than three, but he opposed the sole agency system.

E. S. Moore of Birmingham said his city has a sole agency rule and the agents are proud of it.

New Acrobatic Talent

The big hit of the banquet was the dragooning of three of the banqueteers into a clever acrobatic act. R. I. Read, chairman of the general Chicago committee, was pulled on the floor and tossed through the air, much to the enjoyment of his friends and to the discomfiture of Mr. Read. Then Hamilton Loeb, chairman entertainment committee was the next victim. Then Miss Gandy, charming daughter of President C. L. Gandy, proved a good sport and was hurtled through space. None enjoyed her predicament more than Father Gandy.

America Fore Directory

The America Fore people, as usual, made a valuable contribution to the convention in publishing a directory of the conventioneers, giving home and convention addresses. The directories were placed at the banquet plates Tuesday evening. Another America Fore gift was contract bridge score pads.

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**The
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is, and has been for many years past, the only stock Automobile Insurance Company located in Springfield, Illinois. ■■ It has never moved its Home office from Springfield. ■■ It has never merged with any other Company. ■■ It has never wavered in its capacity to serve its agents and assureds. ■■ THE ILLINOIS CASUALTY CO. STANDS ALONE AND STANDS STRONGLY.

FOR OPEN TERRITORY IN
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P. W. PICKERING
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IN FULL CO-OPERATION WITH N. R. A.—GREETINGS TO THE N. A. I. A.



**Yes—We're "fussy"
about Agents**

—and just as "fussy" in the selection of risks and investments.

Our "fussiness" has developed a strong "dollar for dollar" stock company; built client good-will; enhanced the quality of our service and strengthened the position of our agents.

Special services which give competitive advantage and which have proved sound, depression-proof, ethical and constructive.

**ASSOCIATED
INDEMNITY
CORPORATION**
(Miscellaneous Casualty)

C. W. FELLOWS, President

Head Offices—San Francisco, California

Chicago	Philadelphia	Cleveland	Newark	Denver
Pittsburgh	Indianapolis	St. Louis	Providence	Dallas
Suffolk	Portland	Omaha	Minneapolis	Milwaukee
	Los Angeles	Seattle, etc.		

NORTHWESTERN
Fire & Marine Insurance Company

THREE are a number of reasons why the Northwestern is a popular company with its agents, but perhaps the strongest reason of all is that Northwestern service helps an agent to be popular in his own community.

If you would like to represent the Northwestern, there may be an opportunity. Write to

NORTHWESTERN FIRE & MARINE INSURANCE CO
JOHN H. GRIFFIN, President
MINNEAPOLIS, MINNESOTA

Active Support

of insurance companies which cooperate with local agents and their organizations is the only practical position for agents to maintain.

Insurance Board of Cleveland
Cleveland, Ohio

RHODE ISLAND INSURANCE COMPANY PROVIDENCE, R. I.

MERCHANTS FIRE INSURANCE COMPANY PROVIDENCE, R. I.

*Extend—
heartiest congratulations and
sincere best wishes to the
National Association of In-
surance Agents, which met
in Convention at Chicago,
October 11-13, 1933.*

EMIL G. PIEPER
President

"The World is Mine"—Count of Monte Cristo (Dumas)

YOU

can also truthfully say this to your customers if you will ask the aid of the A. I. U. in developing the opportunities you have for American business abroad. This office has a world wide organization of capable, experienced claim men, empowered to take instant action in any way necessary to support the interests of those insured through this office. Our New York office coupled with these representatives constitutes an efficiently operating unit, not matched by any other office, able to deal with all of the many and intricate problems connected with insurance covering in foreign countries.

We write fire, automobile, ocean and inland marine, accident, liability and casualty insurance world wide, in strong American Companies.

"It's our business to help your business"

Consult the A. I. U. about the aid it may give you in developing business of this character. Why not augment your present facilities for foreign insurance through the services we can give you.

Let us tell you what we can do for you and your clients.

American International Underwriters
Corporation

80 William Street, New York City

Exchanging Credit Data Is Discussed

(CONTINUED FROM PAGE 9)

mon fund which now exceeds \$8,000. He does not favor "cutting a melon" and distributing the fund among the members, as some do, but believes it strengthens a board materially to have a substantial bank account, as the interest of the members is thereby sustained.

On the interchange of credit information among members, Howard Snyder of Wichita said his board reports all accounts of non-payment of premiums to the Wichita Credit Association and this information goes to all members of the association, including large department stores. The plan works well, he said, and the stores cooperate often by not extending credit to those who are delinquent in their premium payments, stating the reason. This has resulted in the payment of some old accounts where the offender has wanted to restore his credit.

Mr. Liscomb says members of the Duluth board are notified where policies are canceled for non-payment of premiums, but members are not obligated to refuse credit to such assureds, though this is generally the result. In Grand Rapids, Henry D. Wilson said information as to cancellation for non-payment is reported to the secretary of the local board. Names of delinquents are mailed the same day to members on postal cards but with no comment other than a red lead pencil mark, and this plan works well. In Little Rock the secretary sends such a list to members once a month.

Delinquents Reported to Chamber of Commerce

David A. North, New Haven, Conn., said their delinquents are reported to the chamber of commerce credit bureau, through which a local credit rating is established. In Connecticut he said the state law prohibits interchange of collection delinquency information among members but permits reporting such information to agencies such as the chamber of commerce. Because of the strict laws in Texas, Tom P. Ellis, Dallas, said information on collections is given members but no compulsion is permitted requiring members to act upon such information.

Upon a call for hands, about 15 indicated their boards have some form of reporting cases of cancellation for non-payment of premium.

In dealing with non-members it was brought out that firm and frank handling gets best results. Mr. Snyder said the sole agency rule is well established in Wichita. In Duluth the situation is good, it was stated, and curbstone and building and loan agents have been greatly reduced. T. A. White, Birmingham, reported the board there is working out a plan under which agencies were notified Sept. 1 they must be clear by Jan. 1. Several conferences have been held with company managers at Atlanta with cooperation on the part of the managers. The handling of agencies under trusteeship has not been fully worked out as the required \$250 deposit has proven an obstacle.

Mr. Lynch of Little Rock said their membership fee was originally \$500 but has been reduced to \$100. Company representatives who formerly were not favorable to membership in the board by their agents are now willing to co-operate in recommending membership. In Peoria, Ill., only full time fire and casualty agents are eligible to membership in the board.

R. P. DeVan, Charleston, W. Va., spoke of the importance of developing through local boards interest in state and the national associations. A number endorsed the idea of getting agents to join local boards and then to sell them on the state and the national association.

So much interest was manifested in the discussion that, as the time came for

Membership Chief



EZRA M. SPARLIN, Rochester, N. Y.

Ezra M. Sparlin, who has been chairman of the membership committee for many years, made his report Thursday morning.

adjournment, it was voted unanimously to ask those in charge of the program next year to allot more time to the group meetings, it being requested that an entire afternoon be given to this part of the program.

KANSAS CITY AGENTS

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C. R. FIDLAR, Manager
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Oppenheimer Bros.

Extend the facilities of
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members of the National
Association in placing
lines in Kansas City.

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KANSAS CITY, MO.

DOES IT PAY TO ADVERTISE IN THE NATIONAL UNDERWRITER?

Here are the FACTS:

The twenty stock fire companies or fleets investing the largest amounts for advertising in The National Underwriter wrote a total of \$351,531,439 in premiums in 1932 compared to \$389,536,549 in 1931 or 90.2 percent of the 1931 total.

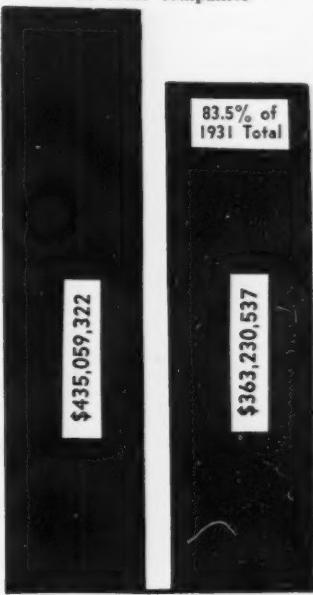
The premiums written by all other stock fire companies totaled \$363,230,537 in 1932 compared to \$435,059,322 in 1931 or 83.5 percent of the 1931 total.

In other words the companies which are the largest advertisers in The National Underwriter *wrote 6.7 percent more* business last year than the other companies.

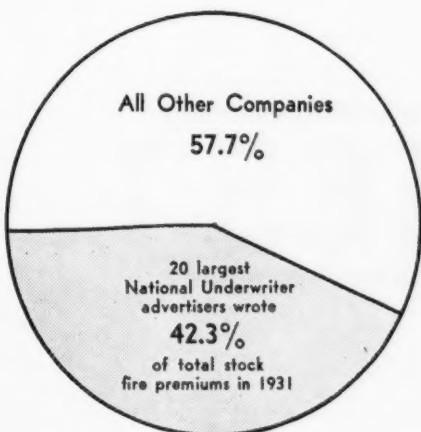
Total Fire Premiums written by 20 largest National Underwriter advertisers



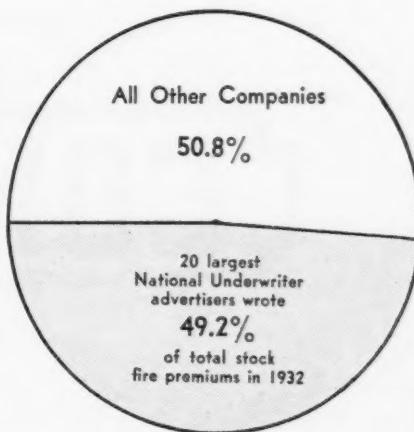
Total Fire Premiums written by all other companies



Largest *advertisers* in THE NATIONAL UNDERWRITER write 6.7 percent *more* premiums *than* other companies



The twenty largest National Underwriter advertisers among the stock fire companies wrote 49.2 percent of the grand total premiums in 1932 and 42.3 percent of the 1931 total, showing that the large advertisers are gradually increasing their percentage of the total volume while the other companies are experiencing a decline.



THE NATIONAL UNDERWRITER-A-1946 Insurance Exchange, Chicago

LOCAL AGENTS CONVENTION NUMBER



Greeting and Acknowledgement

IN extending greetings to the National Association of Local Insurance Agents, the Norwich Union Companies express an acknowledgement of the splendid efforts of its Agents.

We appreciate the privilege to cooperate, assist and serve them cheerfully and wholeheartedly at all times, recognizing that the success of our Agents means the success of our Companies.

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Hart Darlington, Manager

EAGLE FIRE COMPANY of NEW YORK INCORPORATED 1806 75 Malden Lane, New York Hart Darlington, President *The Oldest New York Insurance Company*

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Hart Darlington
Chairman of the Board

H. L. Callanan
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In NORWICH UNION there is strength.

COMPANIES